

Referred.  
7/23/19.

**PLANNING AND  
ECONOMIC  
DEVELOPMENT  
STANDING  
COMMITTEE**

# 8

## City of Detroit

Alton James  
Chairperson

Vice Chair/Secretary

Marcell R. Todd Jr.  
Director

**CITY PLANNING COMMISSION**  
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July 18, 2019

HONORABLE CITY COUNCIL

**RE: Resolution to extend the review period of the City Planning Commission report and recommendation relative to Recodification of Chapter 61 of the 1984 Detroit City Co, Zoning, to Chapter 50 of the 2019 Detroit City Code.**

On Your Honorable Body's formal agenda of April 30, 2019, the report and recommendation of the City Planning Commission was taken up, reaffirming the CPC's support of the proposed new Zoning Chapter of the 2019 Recodified Detroit City Code.

The CPC report noted that the 120-day review period specified by Sec. 61-3-79(d) of the Detroit Zoning Ordinance would expire on August 28, 2019. The Zoning Ordinance provides that where a CPC recommendation has not been voted on within 120 days, the matter is deemed to have been denied. Since unanticipated delays will cause the 2019 Recodified Code, including the Zoning Chapter (Chapter 50), to be taken up subsequent to the August 28<sup>th</sup> date, a resolution is attached to extend the review period.

Adoption of this resolution prior to summer recess will allow the Council to review and act on the Zoning Chapter after Labor Day as part of the proposed Recodification Ordinance without need for a refreshed recommendation from the CPC.

Respectfully submitted,



Marcell R. Todd, Jr., Director

Attachment

**A RESOLUTION** \_\_\_\_\_ :

**WHEREAS**, the 2019 recodification of the 1984 Detroit City Code includes Chapter 50, Zoning; and

**WHEREAS**, the City Planning Commission held a public hearing on November 15, 2018 relative to the proposed changes in the Detroit Zoning Ordinance (Chapter 61 of the 1984 Detroit City Code); and

**WHEREAS**, the City Planning Commission voted at its meeting of November 15, 2018 to recommend approval of the proposed provisions to be incorporated into the proposed zoning chapter (Chapter 50 of the 2019 Detroit City Code); and

**WHEREAS**, the City Planning Commission reaffirmed its support of the proposed zoning chapter (Chapter 50 of the 2019 Detroit City Code) at its meeting of April 25, 2019; and

**WHEREAS**, consistent with the City Planning Commission report and recommendation taken up by City Council on April 30, 2019, the 120-day City Council review period of the City Planning Commission recommendation supporting the proposed new zoning chapter (Chapter 50 of the 2019 Detroit City Code) will expire on August 28, 2019 during City Council's recess period; and

**WHEREAS**, unanticipated delays will cause the zoning chapter of the 2019 recodified City Code to be taken up subsequent to the expiration of the current review period; **NOW THEREFORE BE IT**

**RESOLVED**, Detroit City Council hereby extends its review period of the City Planning Commission report and recommendation dated April 26, 2019 relative to the recodification of the zoning chapter of the Detroit City Code from August 28, 2019 until December 26, 2019.



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CITY COUNCIL QUARTERLY REPORT  
**Q4 FY 2019**  
DETROIT LAND BANK AUTHORITY



**BEFORE**



**AFTER**

A CONTINUED PARTNERSHIP FOCUSED ON BEING VISIBLE & ACCESSIBLE TO THE COMMUNITY



## CITY COUNCIL QUARTERLY REPORT

### Q4 FY 2019

July 15, 2019

The Honorable Brenda Jones, President  
Detroit City Council  
Coleman A. Young Municipal Activity Center, 13<sup>th</sup> Floor  
Detroit, MI 48226

Subject: City Council Quarterly Report, 4<sup>th</sup> Quarter FY 2019, Detroit Land Bank Authority

Dear Council President Jones:

I am pleased to submit this quarterly report on behalf of the Detroit Land Bank Authority (DLBA). The DLBA's holistic approach to blight elimination continues to improve the quality of life for Detroit residents and drive neighborhood investment. We continue to think creatively about practical solutions that will further our mission of returning blighted, vacant properties to productive use. The DLBA tested new campaigns, reshaped leadership, and increased transparency during the fourth quarter of fiscal year 2019.

Highlights from the quarter include:

#### INVENTORY

- 429 Own-It-Now houses listed for sale in response to 524 purchase inquiries
- 1,073 Own-It-Now houses currently available, nearly twice the number made available during the same period last year
- 36 neighborhoods identified as candidates for Building Block events, designed to take a community-focused approach to home sales
- 857 work orders submitted to Detroit's General Services Department for yard maintenance in response to citizen concerns

#### DISPOSITION

- 564 houses sold through Auction and Own-it-Now
- 61 total houses sold through Rehabbed & Ready since inception; 4 additional closings in progress.
- 1,480 Side Lots Sold
- 49 Buy Back closings; 14 Occupied Non-Profit closings
- Revised sales program FAQs on [buildingdetroit.org](http://buildingdetroit.org) to be more informative, transparent, and accessible to the community

## **DEMOLITION**

- Total reimbursed HHF spending is \$198,502,860.45 at the close of the fourth quarter
- 11,872 blighted structures demolished since the start of the program using HHF money
- DLBA will maintain oversight of HHF demolition billing and procurement through the end of 2020

## **COMMUNITY AFFAIRS**

- 64 meetings attended or hosted across all seven Council districts; interacting face-to-face with 1,626 Detroiters
- ODM/Dangerous Buildings list process improvement impacting more than 500 existing buyers and more than 2,700 DLBA structures

## **OPERATIONS & ADMINISTRATION: CLIENT SERVICES**

- 3,618 walk-in clients served
- 23,866 calls answered

Executive leadership changes including the hiring of Timothy Devine as General Counsel in May and the promotion of Tammy Daniels to Deputy Executive Director at the close of the quarter will support the DLBA's strategic direction going forward. A public search for a new Chief Financial Officer will begin in the first quarter of fiscal year 2020, following the departure of Irene Tucker. In the interim, a private-sector contract will support the DLBA as acting CFO.

The DLBA is committed to making homeownership more accessible to Detroiters, mitigating blight, and strengthening our partnership with Detroit's elected officials to advance neighborhood improvement efforts.

Sincerely,



Saskia Thompson  
Executive Director



## **CITY COUNCIL QUARTERLY REPORT**

# **Q4 FY 2019**

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## INVENTORY DEPARTMENT

ROBERT LINN, DIRECTOR OF INVENTORY

The Detroit Land Bank Authority's (DLBA) Inventory Department oversees the acquisition, assessment, and pipeline assignments for all parcels in the DLBA's inventory. The department also oversees data analysis and interagency coordination with other city agencies and harnesses these roles to inform a sales strategy for the organization. Housing these two functions together allows the department to implement a flexible approach informed by on-the-ground sales trends and rapidly implement strategic efforts.

With a new structure in place and a preliminary market analysis completed in Q3, Inventory Department staff began refining the DLBA's sales strategy in Q4 2019. Historically, the DLBA emphasized selling property in the strongest neighborhoods; now, inventory is concentrated increasingly in areas with low market value and low rates of value change. Houses in areas with lower home values tend to have fewer interested purchasers, consequently the DLBA's structure sales programs faced headwinds in fiscal year 2019.<sup>1</sup> To better respond to these changes, the Inventory Department began three strategic efforts in Q4: Own-It-Now maintenance, Building Block events, and a sign pilot.

#### Pre-Sale Maintenance of Own-It-Now Listings

Previously, Own-It-Now properties did not receive maintenance, but in the fourth quarter, the Inventory Management team launched a limited maintenance routine for new Own-It-Now listings to improve their appearance. Staff started securing homes, completing limited exterior maintenance and landscaping, and clearing basement debris. To date the DLBA has completed this work at 418 Own-It-Now properties.

#### Building Block Events

Building upon the success of the DLBA's past Dream Model events, in Q4 the Inventory Department launched a new community-focused campaign: Building Block Events. Working hand-in-hand with a neighborhood partner organization, staff coordinate advance maintenance, plan a block party-like event, and facilitate home viewings to increase market exposure. The DLBA hosted 11 Dream Models across the city between 2016 and 2019 and found the events often sparked new market interest.

Sale Event	Number Sold/Closed	Total Featured	Percent Sold
<i>Dream of Detroit</i>	4	8	50%
<i>Russell Woods</i>	7	14	50%

<sup>1</sup> For a more comprehensive report of these issues, see the City Council Q3 Report Inventory Department section.



Sales rates of Dream Model listings exceeded those of typical Own-It-Now properties. Additionally, the sales impact is even more stark, considering the market context at the time of the listing. For example, in North Banglatown, after eight unsuccessful attempts to sell Auction properties in the neighborhood, 67% of listed properties sold in that area using the Dream Model sales approach. Similarly, sale rates after Dream Models more than doubled previous auction efforts in North LaSalle and Russell Woods. Staff anticipates being able to further improve upon these metrics with Building Blocks' added programming, maintenance, and strategic planning.

**Sign Pilot:** In the fourth quarter, staff began a pilot program to identify the most efficient and effective means of marketing for-sale properties on the ground. Currently, the organization has inconsistently used paper fliers stapled to properties, which may be difficult to read and offer less durability. In Q1 and Q2 2020, staff will post a variety of different signs on properties as they are listed and evaluate the sales impact. Staff have begun by posting large posters on properties and will transition to metal signs and wooden signs later in the quarter.

## DATA MANAGEMENT

The Data Management team oversees research and data analysis for the DLBA. The team conducts demographic and market analyses, completes statistical analysis, oversees internal data integrity,

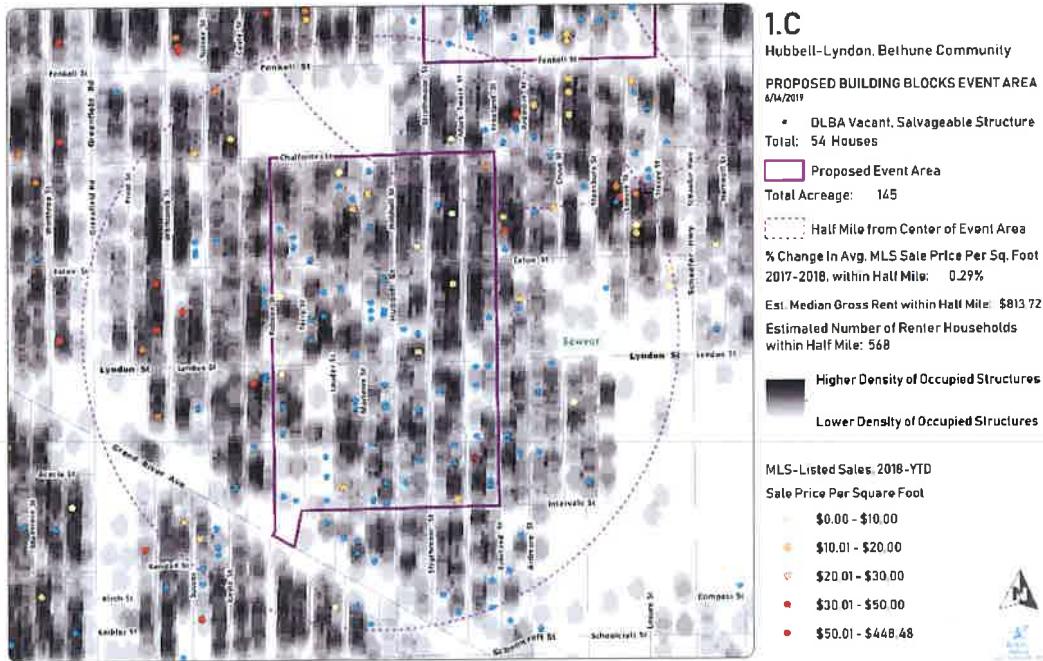
and develops research reports to guide decision-making and evaluate programs. The team also oversees the vetting and listing process for Side Lot sales.

### Building Block Neighborhood Selection

In support of the Building Block events, the Data Management team conducted extensive spatial analysis and due diligence selecting host neighborhoods. Staff identified areas with maximum overlap between concentrations of vacant and salvageable DLBA-owned homes, favorable market conditions, resident interest, relevant neighborhood amenities, and city neighborhood investments. Combining datasets from the United States Postal Service, Multiple Listing Service, and various City agencies, staff identified 36 host neighborhoods across the city.



Inventory Department staff, alongside colleagues from the Disposition and Community Affairs Departments, met and reviewed maps and a variety of tabular metrics for each prospective neighborhood and shared on-the-ground insights. Once this process was complete, staff identified 21 finalists – three in each Council district. The Strategic Initiatives team will begin soliciting neighborhood partner organizations in these areas. Additionally, the Inventory team will review DLBA-owned vacant and salvageable structures in neighborhoods not selected for a Building Blocks event for listing through our Own-It-Now and Auction programs as usual.



In Q4 2019, the Data Management team responded to 2,954 Side Lot purchase requests from the public, compared to an average of 1,661 in each of the first three quarters of the fiscal year. This increased processing volume eliminated the entire Side Lot purchase inquiries backlog, allowing for faster inquiry response going forward.

## STRATEGIC INITIATIVES

The Strategic Initiatives team identifies and implements new and creative means of returning properties to productive reuse and managing interagency planning relationships. In Q4 2019, the team hired two new Project Managers, allowing the team to begin working at full capacity for the first time. In Q4 2019, the growing team hosted a small-scale, Detroit developers symposium, began planning for Building Block events, and advanced the DLBA's parks planning efforts.

### Rebuilding the Block: A Small-Scale Housing Developer Symposium

The Detroit Land Bank Authority (DLBA) hosted Rebuilding the Block: A Small-Scale Housing Developer Symposium April 26th, in coordination with City of Detroit agencies including the Department of Neighborhoods and the Housing and Revitalization Department. Objectives included better understanding strategies for rehabilitation as well as the biggest obstacles currently impeding progress. The symposium brought over 60 experienced developers and residents together for in-depth conversations about rebuilding Detroit's neighborhoods. Presentations and panels included 20 experts focused topics related to small-scale housing

development including:

- Property Acquisition
- Funding/Finance
- Permitting/Procurement
- Rehabilitation



Participants during a panel at Rebuilding the Block: A Small-Scale Developer Symposium

### **Building Blocks Events**

The Strategic Initiatives Team worked for several months on the Building Blocks sales strategy. The goal is to work with neighborhood stakeholder organizations to identify a housing sales strategy which engages residents and potential homeowners and highlights community assets. On June 29, 2019, DLBA hosted the first Building Blocks Event in Nardin Park, on Detroit's west side. Dozens of residents visited the open houses. Based on community input, there was a local band and ice cream truck to encourage more residents to visit DLBA properties. Two building block events are scheduled for August 2019, in the East Canfield/West End and Oakman Boulevard communities. The goal is to host ten more Building Block events across the city by March 31<sup>st</sup>, 2020.



(Left) London from the SI Team assists a resident in navigating DLBA's website (Right) London and Megan from the SI Team enjoying the band

## INVENTORY MANAGEMENT

The Inventory Management Division combines property condition information, zoning, market data, neighborhood plans, and resident input to determine the best strategy for returning DLBA-owned structures to productive use. The team evaluates structures for sale or demolition, identifying home sale opportunities and overseeing the preparation and listing of properties for sale.

### Pipeline Management

The table below shows the current status of the DLBA's 24,790 structures (a 1,427 structure decrease from last quarter). Properties in the Auction, Own-It-Now, and Renovation Programs pipelines include properties currently for sale and those slated for future sale. Occupied properties include those already in the Buy Back program, as well as those being reviewed for Buy Back or another occupied sales program, and are managed by the Disposition Department. The 'Projects' status is for any property under review for possible sale outside of the DLBA's main sales programs, such as the Community Partners Program or coordinating with the Bridging Neighborhoods Program. 'Salvage' means the DLBA determined the structure to be salvageable but is not currently preparing it for sale. If a member of the public indicates interest in purchasing a property in 'Salvage', then the DLBA will vet the property for a potential sale.

Structures – Current Status	Number	Percentage
Renovation Programs	101	0.41%
Other Statuses	208	0.84%
Accessory Structures (e.g. Garages)	489	1.97%
Projects	577	2.33%
Structures Under Review	412	1.66%
Auction	862	3.48%
Occupied	3,005	12.12%
Own-It-Now	3,505	14.14%
Salvage	4,852	19.57%
Demolition	10,779	43.48%
<b>Total # of Structures</b>	<b>24,790</b>	<b>100.00%</b>

### For Sale Signs

In the fourth quarter, Inventory staff launched a pilot program to better understand the most effective approach to marketing properties on the ground. Currently, the land bank does not consistently post 'for sale' signs on properties as they are listed. To identify which type of sign is most effective at attracting potential buyers, and to better understand logistical concerns, the team initiated a statistical study. At the end of Q4 2019, staff began placing 24" x 18" posters on Own-It-Now properties when listed for sale. Next quarter the DLBA will test metal lawn signs and traditional wooden realtor-style signs. Then data analysts will determine the most effective and cost-efficient option for long-term implementation.

### Auction

Since the Auction program's inaugural sales date of May 5, 2014 through June 30, 2019, the DLBA's Inventory Department has listed 2,928 unique properties for sale through the Auction platform. The below table provides an overview of the remaining Auction inventory and the estimated potential post-renovation price per square foot.

Current Inventory Estimated Rehabbed Value	# of Properties
# Properties \$30+/SF	89
# Properties \$20-29.99/SF	114
# Properties \$0-19.99/SF	357

### Own-It-Now

The Own-It-Now (OIN) program is another vehicle for moving vacant DLBA-owned homes toward sale, rehabilitation, and occupancy. The program's lean processes and lower sale preparation costs allowed the Inventory team to make houses available for sale in a fast-paced yet strategic manner in neighborhoods citywide— including some of the Detroit's most challenged – while remaining responsive to purchase requests from members of the public.

Once a complement to the Auction program, the Own-It-Now program has now surpassed the Auction program in terms of the number of houses listed for sale and sold. Since the program's launch in Feb 2016, the Inventory team has listed more than 4,000 houses for sale on the Own-It-Now platform, providing an important avenue for home ownership and rehabilitation to residents in neighborhoods throughout the city. Outside of Hardest Hit Fund (HHF) Zones for example, the Inventory team has made 698 vacant homes available through the Own-It-Now program.

In Q4 2019, Inventory Management staff responded to 524 home purchase requests by listing 429 homes for sale. The DLBA notifies any interested buyers prior to sale with an automated call. With a substantial ramp-up in listings this year, the Inventory team has made **1,073 houses** Own-It-Now available, nearly twice the number of houses made available during the same period last year.

Given the opportunity afforded by resilient market demand, Inventory department staff plan to further increase the number of houses listed for sale on the Own-It-Now platform in the upcoming quarter. The goal is to consistently list **90 Own-It-Now houses per week** by the end of Q1 2020. During this ramp-up, the Inventory team will balance speed and volume with strategic property selection – building on burgeoning neighborhood real estate markets and working in conjunction with the City's efforts and the DLBA's aforementioned Building Block events – all the while maintaining the focus on constituent service by acting upon purchase requests from members of the public.

### Marketing

In Q4 2019, the Inventory Management team prepared an expansion of the DLBA's broker marketing program. Staff anticipates increasing the number of atypical properties sold through realtors in Q1 2020, including DLBA's small inventory of commercial and industrial sites, homes

with extraordinary rehabilitation needs, as well as vacant residential lots with the potential for infill development or alternative uses.

### **Property Maintenance**

The DLBA works very closely with the City's General Services Department (GSD) to respond to maintenance complaints, additionally the DLBA contracts with private, external partners to perform maintenance on properties in preparation for sales programs. In Q3 2019, the DLBA issued an RFQ for property maintenance and landscaping vendors. In addition to existing vendors, staff onboarded several new vendors in Q4 2019 to accommodate the anticipated growth in sales preparation maintenance. The team is pleased that the four new vendors include Detroit Grounds Crew, Motor City Preservation, and the Detroit Center for Employment Opportunities office. The Center for Employment Opportunities notably employs and provides job training to returning citizens.

The DLBA continues to coordinate with GSD, to address maintenance concerns for properties not currently in the sale pipeline. GSD's Board Up Brigade is responding to board up requests on vacant homes across the city, including DLBA-owned structures. GSD is also cutting grass at all unfenced vacant lots, and the front lawns of unfenced vacant structures.

During fiscal year 2019, the DLBA recorded 2,704 resident complaints about properties needing boarding, debris removal, or landscaping, etc., resulting in 857 work orders sent to GSD. Many of these issues were communicated to GSD via 857 work orders. These complaints and work orders – plus the status of each – are summarized below. Notably, these tables only reflect lawn maintenance inquiries not cut through GSD's regular, citywide mows, due to fencing, excessive debris, etc. GSD continues to work through a backlog of maintenance inquiries submitted before March 1, 2019.

**Maintenance Complaints, by Category and Status - 7/1/18 to 6/30/19**

Maintenance Issue	Inquiry Status					
Category	New	Escalated	In Progress	Acknowledged	Closed	Grand Total
Board Up	84	4	275	84	555	1002
Debris Removal	105	0	280	47	184	616
Lawn Maintenance	31	0	49	24	434	538
Tree Maintenance	104	0	292	33	119	548
Grand Total	324	4	896	188	1,292	2,704

GSD Work Orders - 3/1/19 to 6/30/19	Service Results
-------------------------------------	-----------------

Service Requested	Awaiting Assessment	In Progress	Completed	Grand Total
Board Up	69	137	105	311
Debris Removal	224	12	1	237
Lawn Maintenance	98	0	0	98
Tree Trimming/Removal	188	8	13	209
<b>Grand Total</b>	<b>579</b>	<b>157</b>	<b>119</b>	<b>855</b>

# DISPOSITION DEPARTMENT

REGINALD SCOTT, DIRECTOR OF DISPOSITION

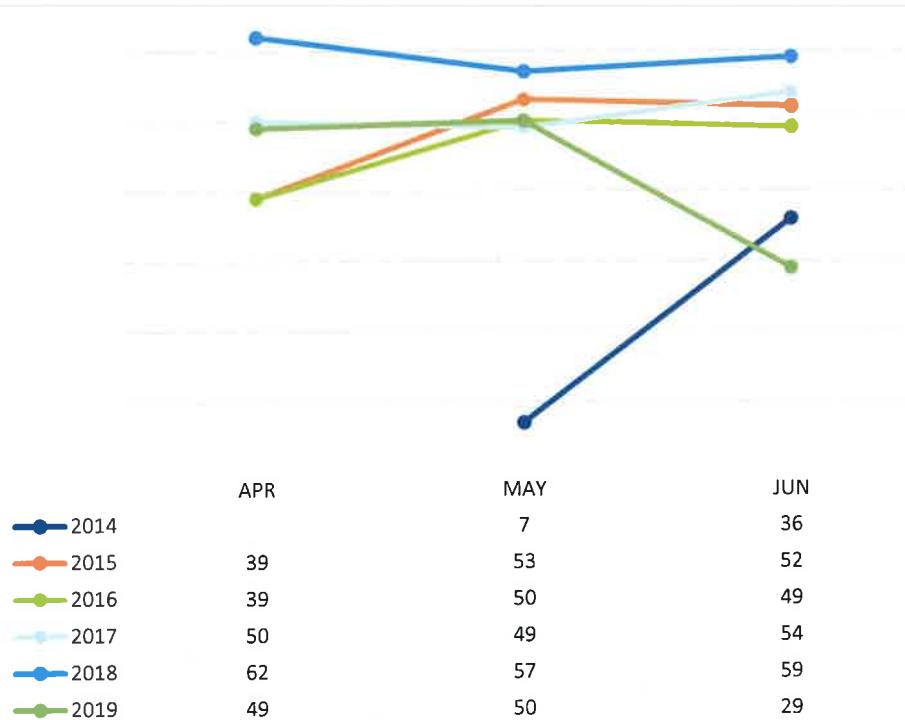
The Detroit Land Bank Authority's (DLBA) Disposition department is the first point of contact for purchasers. Explaining DLBA sales, eligibility, and payments for the Auction, Own-It-Now and Side Lot Programs.

## AUCTION

Auction properties are listed on [buildingdetroit.org](http://buildingdetroit.org) and sold to the highest bidder. As a result of the DLBA's decreasing auction inventory, beginning June 2019 the two homes a day are auctioned.

### AUCTION SALES\*

Comparison of Q4 Sales Trends

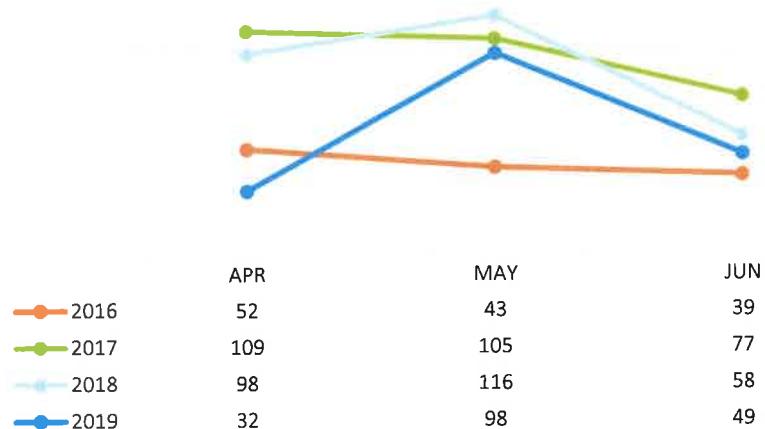


<u>Year</u>	<u>Total sold (Q4)</u>
2014	43
2015	144
2016	138
2017	153
2018	178
2019	128

## OWN-IT-NOW

Own-It-Now responds to public requests for properties and, similar to a traditional real-estate sale, offers are accepted over a period of time. Anyone can contact the DLBA with an address, and with certain exceptions, the DLBA will work to list the property for sale online with offers accepted 24 hours a day, 7 days a week.

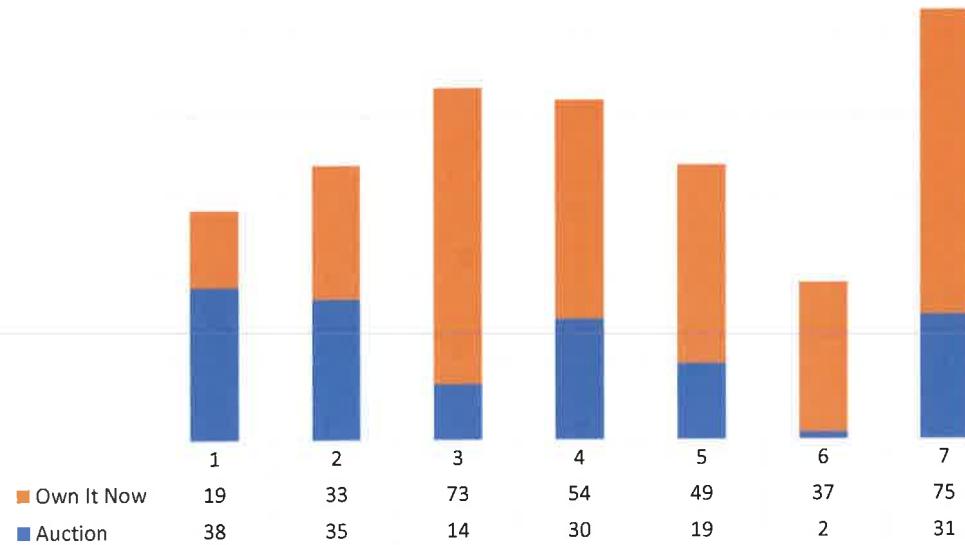
**OWN-IT-NOW SALES\***  
Comparison of Q4 Sales Trends



<u>Year</u>	<u>Total Sold (Q4)</u>
2016	134
2017	286
2018	119
2019	436

\*\*Does not include failed buyers (a failed buyer is an individual or entity who paid the initial deposit but did not complete the final purchase of the property)

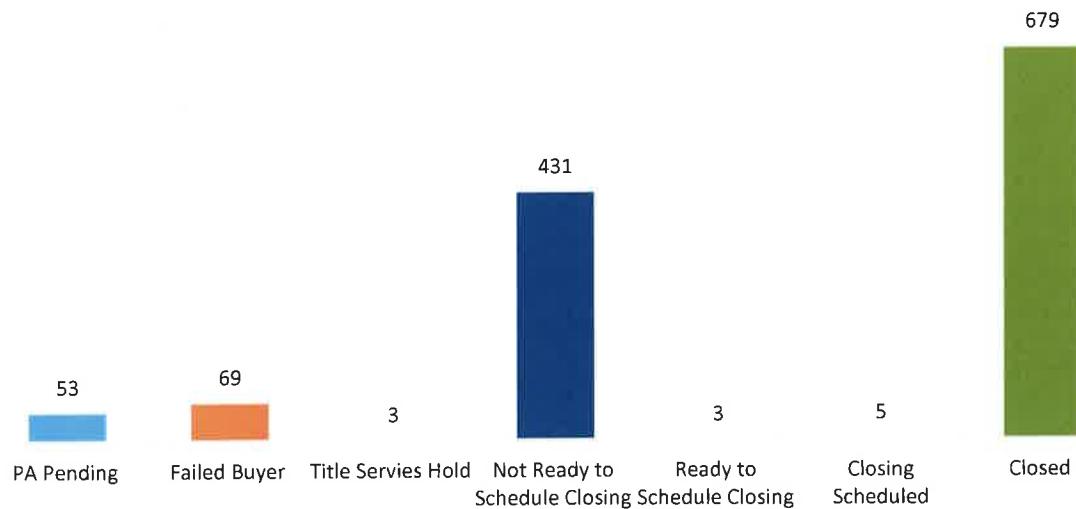
**AUCTION AND OWN-IT-NOW CLOSED**  
By Council District for Q4



**CLOSING**

There continues an uptick in closing as buyers are anxious to take advantage of the summer months to perform property renovations. There are currently 254 closings scheduled for the month of July

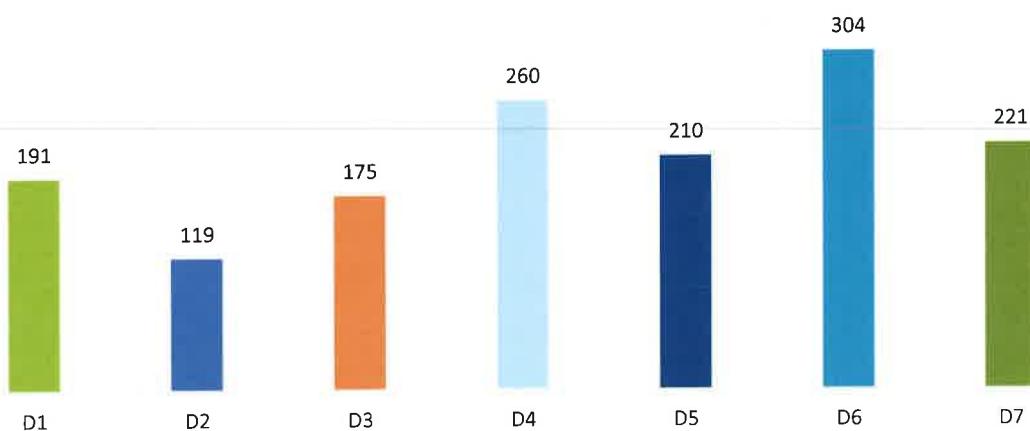
**Closing Pipeline Q4 2019**



## SIDE LOTS

In May 2018, Disposition launched a monthly District Side Lot Sale pilot. Similar to Side Lot Fairs, these events are smaller in scale and allow more direct and frequent sale services in the community. At the citywide April Side Lot Fair, the team served 305 neighbors and sold 438 Side Lots. A total of 1,480 Side Lots sold were sold in Q4. A breakdown of sales per Council District can be found below.

Side Lot Sales per District



## REHABBED & READY

Rehabbed & Ready (R&R) is a philanthropic initiative aimed at improving residential market values and bolstering home ownership in the City of Detroit. Through collaboration with Quicken Loans, dilapidated DLBA inventory undergo full rehabilitation, bringing houses to at-or above-market conditions. As a neighborhood-based initiative, there are parallel efforts in place to reduce blight and encourage occupancy via the DLBA's existing demolition, Nuisance Abatement Program, and other Disposition programs in the Rehabbed & Ready selected neighborhoods. Below, is the annual summary of Rehabbed & Ready's progress during the 4th quarter of 2019 Financial Year:

- **R&R Closings.** 61 total properties sold and closed through R&R since inception, with new homeowners moving into neighborhoods including Crary/St Marys, College Park, Evergreen-Outer Drive, Bagley, East English Village, Martin Park, Greenfield-Grand River, and Morningside.
- **Open Houses remain a staple in R&R program.** Ensuring prospective home owners adequate opportunities to view new home; the Detroit Land Bank Authority conducts public open houses as well as private showings. Flexibility promotes a faster pace during the upcoming selling season.
  - *Rehabbed & Ready public open houses* occur on Wednesdays and Sundays, for the entire time a home is listed for sale.

- *Rehabbed & Ready private showings* can be scheduled through [buildingdetroit.org](http://buildingdetroit.org) for any day except for Saturday.
- *Neighborhood Engagement*: 1,566 individuals join the e-mail marketing list to stay updated on new listings, price reductions, and offer deadlines.
- **What's next?**
  - *Building the Internal Team*: The R&R team now has 8 team members and is poised to quickly improve on the program with a more robust staff. The focus now turns to decreasing the per-home loss on sales and increasing the number of rehab contractors and tradesmen.
  - *R&R Pipeline*: 17 properties currently in the pre-construction phase, 17 properties under construction, and 4 properties under contract (closing in progress).

Focusing efforts in select neighborhoods and spacing out sales of turn-key ready homes, the DLBA will continue to raise market comparables ("comps") and stabilize appraisals, resulting in greater access to mortgages throughout the City.

Property: 16130 Murray Hill	
<i>Before</i>	<i>After</i>
	
Property: 17179 Snowden	
<i>Before</i>	<i>After</i>



## PROJECTS TEAM

The Community Partnership Team and the Economic Development Team are now a unified "Projects Team."

### Development Update

Closing on its first set of parcels, 21 structures and three lots, in the fourth quarter, the Herman Kiefer Development reached an important milestone. The developer remains committed to its obligation of keeping the entire project area free of debris; as well as engaging and employing members of the community to maintain the hospital, ancillary structures, and parcels in the Herman Kiefer footprint.

### Community Partnership Program

The Community Partnership program continues to encourage community and -faith-based organizations to transform the neighborhoods they serve through projects such as home rehabilitation, deconstruction, new construction, lot beautification, community gardens, and pocket parks.

The program guides nonprofits, faith-based organizations, and community development organizations through the process of acquiring property through the DLBA. This program allows organizations to present proposed projects through development plans. The plans help the Community Partnership Team identify properties and areas that will assist the partner organization in achieving its goal.

To be eligible for the program an organization must meet the following criteria:

- Headquartered in the City of Detroit
- Federal tax-exempt status
- Be current on property taxes

- No material blight violations or fines
- Letter of acknowledgment from the District Manager or City Councilperson where the organization is headquartered or its catchment area
- Work in a defined geographic target area as agreed upon by the Community Partner and the DLBA, in no case, will the project area exceed five square miles.

### Community Partner Endorsements

The DLBA encourages Community Partners to help improve their neighborhoods by identifying and endorsing homeowners who have the ability to fix up, maintain, and be good stewards of their block. The Community Partner must provide in writing to the DLBA its process for selecting and endorsing a bidder. The DLBA expects buyers endorsed by a community group to live in the house for at least three years.

For each auction of a house in its service area, the Community Partner may endorse one bidder it deems to be a good neighbor. A Community Partner's endorsement triggers an automatic 20% bonus on the endorsed party's bid amount. The final price shall not fall below \$1,000.

All winning bidders must comply with the terms of the Auction Purchase Agreement, including deadlines for closing, rehabilitating, and occupying the property. If endorsed buyers fail to meet these deadlines, the DLBA may terminate the Endorsement Partnership. The DLBA relies on the Community Partners to vet potential buyers before endorsement.

### BUY BACK

The Buy Back Program was created to provide a path forward for occupants of DLBA-owned houses. It allows an eligible occupant of a DLBA-owned property the opportunity to gain ownership of the house in which they live. After qualifying for the Buy Back Program and the house is purchased, the occupant officially enters the program and must display consistent savings until their next tax bill arrives.

Month-Year	Closed	Total
April-19	12	\$12,000
May-19	23	\$23,000
June-19	14	\$14,000
<b>Total</b>	<b>49</b>	<b>\$49,000</b>

Executive Summary
Buy Back Complete
Entered Partial Payment (Exit Jan 2019)
Monitor Compliance for July 2019 exit

<b>Monitor Compliance for July 2020 exit</b>	<b>79</b>
<b>Buy Back Pipeline</b>	<b>523</b>
Eligibility Under Review	95
Inspection in Progress	2
Need to take HPE Course	46
Ready to Close	73
Potential Reconveyance	28
Reconveyance in Progress	0
Sales Hold	15
<b>Ineligible for Buy Back (Reason Documented)</b>	<b>2024</b>
<b>Reconveyance Complete</b>	<b>9</b>

#### OCCUPIED NON-PROFIT

The Occupied Non-Profit Program was created to engage non-profit organizations and provide opportunities to increase neighborhood stability. Currently, seven non-profit partners assist occupants who do not qualify for the Buy Back Program to transition to homeownership. Once title is transferred, the non-profit partner provides the occupant services that include renovation, resource support, plus lease and purchase options.

Month-Year	Closed
April-19	2
May-19	11
June-19	1
<b>Total</b>	<b>14</b>

# COMMUNITY AFFAIRS DEPARTMENT

## ROD LIGGONS, DIRECTOR OF COMMUNITY AFFAIRS

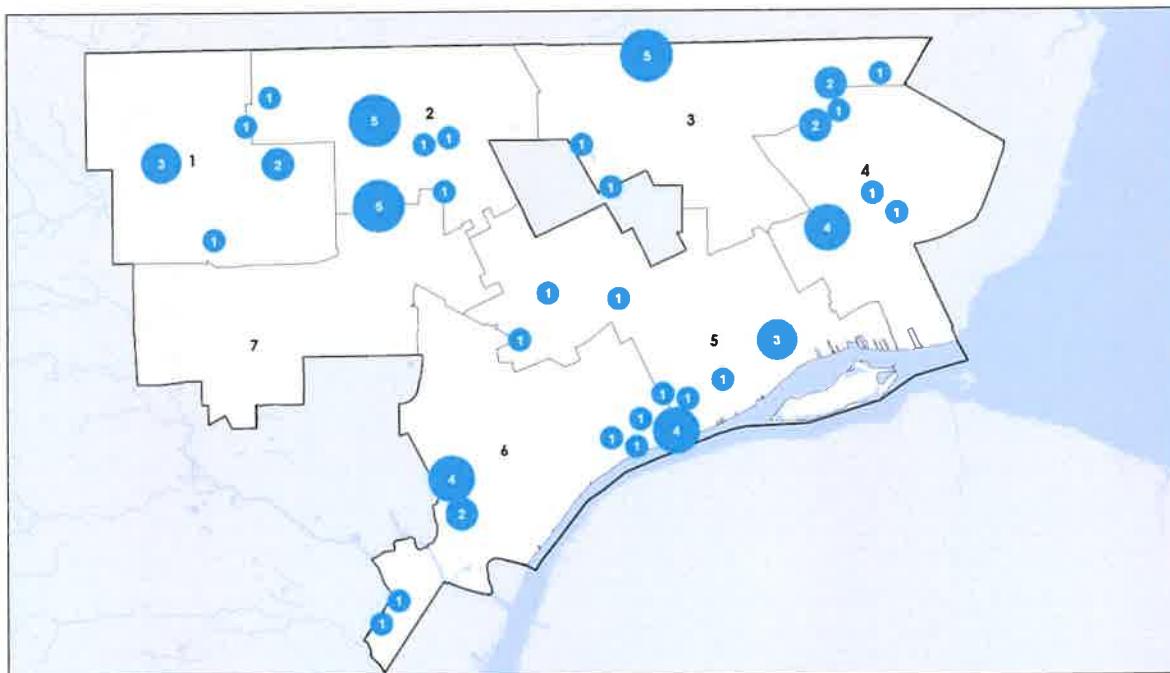
The Detroit Land Bank Authority's (DLBA) Community Affairs Department is committed to educating Detroiters about homeownership opportunities through increased public engagement, spreading brand awareness, attracting potential buyers, and educating people about DLBA programs and resources. From traditional media to grassroots organizing, the Community Affairs team is on the front lines of the DLBA's effort to fight blight through the rehabilitation and revitalization of properties citywide.

## COMMUNITY ENGAGEMENT

In the fourth quarter of fiscal year 2019, the team attended or hosted 64 community meetings, engaging 1,626 residents face-to-face and answered more than 300 emails, addressing concerns and connecting Detroiters with the resources they need.

## **Detroit Land Bank Authority**

### **Fourth Quarter Community Engagement Activities - Number of Events by Location**



### Meetings & Presentations

Event Type	Type of DLBA Presence	Number of Attendees	Council District
<b>Detroit Public Schools Adult Ed Outreach (5)</b>	Table & Presentation	40	1 & 4
<b>Motor City Makeover Kickoff District Office Hours (20)</b>	Resource Table	30	1,2,3,4,5,6,7
<b>City Council member Lopez community meeting</b>	Q&A	52	1,2,3,5,6,7
<b>District 5 Renter to Homeowner Fair</b>	Presentation	24	5
<b>Detroit City Council evening meeting</b>	Q & A	52	5
<b>Nation Association of Black Women in Construction</b>	Presentation	15	5
<b>Plainview Block Club meeting</b>	Presentation/Q&A	15	7
<b>Congress of Communities</b>	Presentation	20	6
<b>Community Wealth Building Day @ WCCCD</b>	Presentation	120	5
<b>Homeownership and Opportunities @Second Ebenezer</b>	Resource Table	200	3
<b>Chandler Park Own It Now event</b>	Open House	42	4
<b>District 4 Town Hall</b>	Resource Table	50	4
<b>Beyond the Hashtag meeting</b>	Presentation	20	5
<b>Detroit City Council evening meeting (2)</b>	Resource Table	120	5
<b>DLBA @Spirit Plaza (6)</b>	Resource Table	110	2&5
<b>DLBA Osborn neighborhood Housing Tour</b>	Open House	35	4
<b>Council member Scott Benson's Marshmallow drop</b>	Resource Table	130	4
<b>Detroit Hispanic CDC Housing Fair</b>	Presentation	40	6
<b>Matrix Human Services Homebuyers Club</b>	Presentation	32	4
<b>Wayne County Democratic Black Caucus Meeting</b>	Presentation	45	7
<b>District 7 Capacity workshop</b>	Presentation/resource table	125	7
<b>College Park Community Association</b>	Presentation	36	2
<b>Coffee and Conversations with Council member Janee' Ayers</b>	Q&A	40	3
<b>DPSCD Summer on the Block</b>	Resource Table	20	6

Council President Pro Tem Mary Sheffield Occupy the Corner	Resource Table	140	5
U Snap Bac Homebuyer workshop	Presentation	28	4
Faith Based Community Engagement Briefing	Resource Table	30	2
<b>Total</b>		<b>1,626</b>	

#### Community Emails

Topic	#
Board/Secure	5
Purchase Inquiry	71
Side Lot purchase inquiry/status request	25
Auction information/sale timing	80
How to Bid	1
Deed/Purchase Agreement status	18
Demo Request	31
Inquiry status update	31
Discount programs inquiries/information	17
DLBA ownership	17
General questions	32
How to Bid	8
Property Maintenance	26
Website Issue	10
<b>TOTAL</b>	<b>372</b>

#### Salesforce Entries

Topic	#
Demolition request/timing	159
Purchase inquiries	219
Property maintenance	164
Report nuisance	20
Occupancy	5
<b>TOTAL</b>	<b>567</b>

#### MEDIA RELATIONS

The Public Information Officer (PIO) is charged with building the DLBA's brand. To accomplish this a multi-faceted communications approach is employed serving three main goals:

1. Proactive, positive storytelling through traditional media; streamlined and responsive communication with media for organic coverage/inquiries
2. Prevention or management of negative media coverage

3. Improve internal processes and client-facing communications procedures to create a better-informed community and client-base, minimizing potential for negative media coverage

#### Positive Storytelling: Features & Mentions

April 2019	May 2019	June 2019
<p>Rehabbed &amp; Ready Teams Up with Trade School</p> <ul style="list-style-type: none"> <li>• Outlet: Fox 2</li> </ul> <p>Bridging Neighborhoods</p> <ul style="list-style-type: none"> <li>• Outlet: Model D</li> </ul> <p>#LeadLikeAWoman featuring Saskia Thompson</p> <ul style="list-style-type: none"> <li>• Outlet: Michigan Chamber of Commerce ATHENA</li> </ul> <p>DLBA Q&amp;A on Your Best Chance with Judge Nance</p> <ul style="list-style-type: none"> <li>• 910 AM Superstation</li> </ul>	<p>Osborn Building Block Sale</p> <ul style="list-style-type: none"> <li>• Outlet: WDIV Local 4</li> </ul> <p>FCA Land Deal</p> <ul style="list-style-type: none"> <li>• Outlet: Associated Press, Detroit News, Detroit Free Press, Curbed, Crain's</li> </ul>	<p>Russell Woods, Nardin Park Rehabbed &amp; Ready</p> <ul style="list-style-type: none"> <li>• Outlet: Detroit News</li> </ul>

#### Media Coverage Response & Management

Story	Outlet
Federal Investigation Legal Costs	Detroit Free Press
Employee Discount Program	Deadline Detroit
Overgrown Yard Pinehurst	WXYZ
Corktown Development	Detroit News
Adamo Estimators Charged in Federal Demo Investigation	Detroit News, Detroit Free Press

In addition to the management of media stories published or broadcast, the PIO answers and investigates media, citizen, and inter-departmental property inquiries daily; ultimately preventing misinformed media coverage.

#### Media Outreach & Networking

The PIO also collaborates with local media outlets and filmmakers for long-term planning. During the quarter DLBA executives and staff participated in interviews for later release with Detroit Public Television and documentary filmmaker Michael Gray.

The PIO also attended the Michigan Chamber of Commerce ATHENA Women in Leadership summit in Lansing.

## Communication & Process Improvements

Extensive work is underway revising the DLBA's website, [buildingdetroit.org](http://buildingdetroit.org), to better inform the public about DLBA policies, inventory, sales, and programs. Current improvements include:

- Launch of revised Frequently Asked Questions page.
- DLBA properties on the Dangerous Buildings List. The PIO leads a team of DLBA staff in streamlining ODM deferrals for land bank buyers. This team meets regularly with BSEED and works diligently on a long-term solution to alleviating barriers to rehabilitation.

## SOCIAL MEDIA

The Community Affairs team utilizes social media to connect with the public, spread awareness of DLBA programs, and promote community engagement events. Social media activity also plays a key role in driving followers to [buildingdetroit.org](http://buildingdetroit.org). The DLBA's social media following continues to increase across platforms, expanding the potential audience and the opportunity to serve Detroiters directly.

		Fourth Quarter		
Facebook		Apr	May	Jun
	Followers	12,167	12,309	12,415
	New Followers	106	132	100
	Total Likes	11,971	12,108	12,208
	New Likes (Net)	101	127	94
	Page Engagement (Reactions, Comments, & Shares)	116	162	163
		Fourth Quarter		
Instagram		Apr	May	Jun
	Followers	1,595	1,724	1,818
	New Followers	143	120	93
	Likes	445	219	390
	Comments	27	7	23

## GRAPHICS

Community Affairs' Senior Graphics Designer creates all DLBA flyers, billboards, kicker cards, and other printed materials distributed to the community, as well as graphics for social media. Each department relies on custom graphics packages to publicize programs, events, and keep our neighbors informed. This quarter included the rollout of a new billboard and transit ad campaigns, enhanced [buildingdetroit.org](http://buildingdetroit.org) graphics, and social media posts and flyers promoting new DLBA initiatives including the Building Block events.

DETROIT LAND BANK AUTHORITY PRESENTS

## BUILDING BLOCKS NEIGHBORHOOD SHOWCASE

Homes  
MUST  
be renovated  
and occupied  
after  
purchase.

Homes for Sale in the  
Nardin Park Neighborhood

SATURDAY, JUNE 29, 2019  
FROM 11AM-3PM

FIRST 40 VISITORS  
TO BRING A FLYER  
OR POSTCARD  
WILL GET A COUPON  
FOR ONE FREE VIEWING  
AT ANOTHER HOME  
(NORMALLY \$35)



FEATURED HOME  
11745 Broadstreet

Interested in buying a home or scheduling a viewing?

For more information go to  
[buildingdetroit.org/ownitnow](http://buildingdetroit.org/ownitnow)  
Questions? Call 313-974-6869

A home near you is coming up for sale.

before

after

OWN IT NOW!



[buildingdetroit.org/ownitnow](http://buildingdetroit.org/ownitnow)

Detroit Land Bank Authority  
100 Casswood Street  
Suite 1300  
Detroit, MI 48220

Dear Neighbor,  
The Detroit Land Bank Authority  
is selling a home near you! The  
house will need to be renovated  
and occupied after sale. Please  
visit [buildingdetroit.org](http://buildingdetroit.org) to view  
the listing and program rules  
and place an offer. Call Detroit  
Land Bank at 313-974-6869 with  
any questions.

Detroit Land Bank Authority (DLBA)

## THE DLBA HOUSE TOUR!

FIRST 10 VISITORS  
TO EACH  
OF THE FOUR  
FEATURED DLBA  
HOMES WILL  
GET A COUPON  
FOR ONE FREE VIEWING  
AT ANOTHER HOME  
(NORMALLY \$35)

Homes for Sale in the  
Osborn Neighborhood

SATURDAY, MAY 11, 2019 FROM 11AM-3PM

Also tour 13700 Mapleridge - purchased  
from the DLBA and rehabbed by  
Osborn Neighborhood Alliance!



## FEATURED HOMES

- ① 12854 Hickory
- ② 12886 Hickory
- ③ 12873 Hickory
- ④ 18940 Westphalia

Interested in buying a home or  
scheduling a viewing? Go to

[buildingdetroit.org](http://buildingdetroit.org)  
Have any questions? Call the DLBA at  
313-974-6869

Homes MUST be renovated and occupied after purchase.

## DEMOLITION DEPARTMENT

TAMMY DANIELS, DIRECTOR OF DEMOLITION

The Detroit Land Bank Authority (DLBA), in partnership with the Mayor's Office, City Council, and the Detroit Building Authority (DBA), continues to impact all Council Districts through its various demolition programs. In 2015, the DLBA's demolition program made great strides towards blight reduction in highly populated/high-density areas, radial thoroughfares and commercial corridors throughout the City of Detroit. The DLBA gears its targeted demolitions within the designated Hardest Hit Fund (HHF) geographic boundaries toward reducing blight and spurring economic activity in these neighborhoods. The DLBA's strategic demolition efforts are complemented by strategic reinvestment and rehabilitation, leading to significant increases in property values across the City.

### **HARDEST HIT FUNDS**

Beginning in June 2018, Michigan State Housing Development Authority (MSHDA) started issuing credits to the DLBA through its various HHF rounds. These credits represent a refund of settlement proceeds as well as the return of the Fire Insurance Escrow ("FIE") dollars paid to MSHDA. The total refund is currently \$6,602,690.50 and will be used to demolish additional residential structures. The refund credits were issued to the DLBA as follows: HHF1-\$5,409,638.69; HHF2-\$1,192,413.56; HHF3- \$638.25; effectively reopening HHF1 and HHF2 rounds. As of the date of this report, four (4) rounds of HHF funding are currently open, as the DLBA successfully closed out HHF3 on December 27, 2018.

The initial funding from the Hardest Hit Fund (HHF1) provided \$57,342,668.95 in demolition funds and was closed in the Third Quarter 2015, with a \$700.00 remaining balance, transferred to the next round. To date, the DLBA had utilized these funds to demolish 3,741 residential structures. As noted above, HHF1 received an additional \$5,409,638.69 in new funding allowing the demolition of approximately 315 additional residential structures. The DLBA identified properties within the geographic boundaries of HHF1 to expend these funds. Currently, those designated properties are contracted for demolition. As of June 30, 2019, the DLBA received \$58,527,800.77 in disbursements from MSHDA; \$4,224,506.87 remains. The remaining funds include the \$1,004,355.29, for which the DLBA is currently seeking reimbursement. The DLBA has until December 31, 2019, to either expend all the remaining allocated dollars or request a transfer of any unspent dollars to other rounds.

The second round of Hardest Hit Funds (HHF2) provided \$50,000,719.05 in demolition funds. Early in the Fourth Quarter 2017, the DLBA's demolition team reduced the grant funds remaining under this round to \$5,410.94, effectively closing out HHF2. As of the date of this report, the DLBA has demolished and received reimbursement for the demolition of 2,965 residential structures. As noted above, HHF2 received an additional \$1,192,413.56 in funding for the demolition of approximately 70 additional residential structures. As of June 30, 2019, the DLBA received \$50,637,202.65 in disbursements from MSHDA, with \$555,929.96 remaining. The remaining

funds include the \$359,326.38, for which the DLBA is currently seeking reimbursement. The DLBA identified properties within the geographic boundaries of HHF2 to expend these funds; these properties are currently contracted for demolition. The DLBA has until December 31, 2019, to either expend all the allocated dollars or request a transfer of any unspent dollars to other rounds. The third round of Hardest Hit Funds (HHF3) provided \$21,255,000.00 in demolition funds. As of December 31, 2018, the DLBA had been reimbursed \$21,249,169.99; leaving \$6,468.26 and effectively closing out this round of funding. The DLBA demolished and received reimbursement for the demolition of 1,465 residential structures across the seven Council Districts.

The fourth round of Hardest Hit Funds (HHF4) provided \$41,901,646.00 in demolition funds. As of June 30, 2019, the DLBA has been reimbursed \$39,399,660.28; leaving \$2,501,985.72 to be drawn down by the DLBA. This amount includes the \$1,938,723.81, for which the DLBA is currently seeking reimbursement. To date, 2,225 structures have been demolished and reimbursed by MSHDA. This fourth round of funding allows for the demolition of approximately 2,400 residential structures, and HHF4 is expected to be closed out on or before December 31, 2019.

The fifth round of Hardest Hit Funds (HHF5) provides for \$88,153,425.00 in demolition funds. As of June 30, 2019, the DLBA has been reimbursed \$28,689,026.76; leaving \$59,464,398.24 in grant funds to be drawn down by the DLBA, which is inclusive of the \$7,764,216.86, for which the DLBA is currently seeking reimbursement. The DLBA expects to demolish approximately 5,200 residential structures under this final round of funding, and HHF5 is expected to be closed out on or before December 31, 2020.

#### **PROCUREMENT TRANSITION**

In April 2018, committed to stabilizing demolition costs and to provide a greater level of predictability with the release of HHF program Request for Proposals (“RFP”), the DLBA began issuing between 400-450 properties per month for demolition RFP. Given the increased volume and timing of RFP releases, the DLBA elected to issue an RFP for Procurement Administrative Services to transition the HHF procurement process to a third-party company skilled at providing services on the scale and scope envisioned by the DLBA. The DLBA noted that the DBA, its demolition project manager, was spending an increasing amount of time, resources, and staff on procurement related issues, limiting the DBA’s ability to focus on field operations. Also driving the DLBA’s decision to transition the procurement process to a third party was the recognition that an anticipated spike in demo RFP releases and increased supervision mandated by March 6, 2018, Department of Health protocols could negatively impact the DBA’s ability to manage field operations effectively. Effective July 1, 2018, with a goal of providing increased stability, transparency, and to encourage the participation of a diverse group of contractors; the DLBA transitioned its HHF procurement services from the DBA to Price, Waterhouse, Coopers, Public Sector, LLP (“PWC”). PWC was selected based on their response to the RFP; they bring a wealth of knowledge, experience, and a stellar reputation to the DLBA and the Hardest Hit Fund Demolition Program. A formal agreement was executed on June 30, 2018, and the transition

process began in earnest. Working in close conjunction with the DBA, PWC is currently contracted to provide project management, process mapping (which includes streamlining the current process), review, tabulation and recommendations of approximately 10 RFP groups per month. PWC will also be responsible for administering the annual RFQ process.

Since completion of the transition in late July 2018, the DLBA has seen a sharp increase in efficiency; with the time to review, tabulate, and award RFP's down from six-to-eight weeks to just two weeks. The DLBA successfully eliminated the large RFP backlog during the second quarter; and while we expected to be completed with the procurement process by March 31, 2019, due to performance issues with a demolition contractor the DLBA terminated several contracts the DLBA has been required to rebid properties. The DLBA completed the HHF procurement process prior to May 30, 2019<sup>1</sup>. Other process improvements implemented under the partnership with PWC include, but are not limited to, virtual bid openings, recorded bid openings, improvements to the change order process, streamlined documentation, and increased programmatic transparency.

#### **AUDIT OF DEMOLITION DEBRIS LEFT ON SITE**

In February 2019, the Detroit Building Authority ("DBA"), the DLBA's HHF project manager, received credible information a DLBA contractor, McDonagh Demolition, left demolition debris (including foundation walls and slabs) buried at multiple demolition sites, in direct violation of their contractual obligation. This prompted the issuance of an immediate Stop Work Order and internal investigation requiring McDonagh mobilize to each site and verify all properties were properly excavated, all debris removed, and backfilled. As of the date of this report, McDonagh continues to complete the work necessary to close out all properties identified in the Revised Stop Work Order, under direct BSEED supervision

During the course of the ongoing investigation, the DBA received information that four (4) additional contractors were suspected of engaging in the same or similar practice. To verify the allegations, the DLBA, DBA, and the City of Detroit sought assistance from the Michigan Department of Environmental Quality ("MDEQ") to determine the best method to confirm existence of unauthorized inert materials left at a demolition site after a demolition had been completed. Based upon the recommendation of the MDEQ, MSHDA, the City of Detroit's Building Safety Engineering and Environmental Department ("BSEED"), the DBA, the DLBA retained a third-party environmental firm Great Lakes GPR to scan randomly selected demolition sites using ground penetrating radar ("GPR"). Sites where the GPR suggested the presence of inert material, established protocol required the contractor to excavate. GPR results led to excavation at four sites; in all four cases, no unauthorized inert material was found. As a result of the excavations, the four contractors were allowed to resume work, and MSHDA is funding all compliant invoice submissions made by these contractors.

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<sup>1</sup> As the end of the HHF program draws near, the DLBA will judiciously use all remedies available to it when dealing with performance issues and its contractors; those remedies include, but are not limited to, enhanced oversight, termination and re-bidding, and calling the payment and performance bonds.

### **POLICY CHANGES/COMPLIANCE**

In February 2018, the DLBA transitioned to an RFQ system, to mitigate the arduous submission process. The new RFQ process allows demolition contractors to become pre-qualified to participate in the HHF program by submitting a complete qualification package once a year, instead of submitting qualification documents with every RFP as previously required. On October 29, 2018, the DLBA released the 2019 calendar year RFQ and has approved or is currently reviewing submissions from eighteen (18) demolition contractors. Please see the Hardest Hit Fund Program tab of [www.buildingdetroit.org](http://www.buildingdetroit.org) for a complete list of properties demolished and released to contractors. The DLBA continues to work diligently with the demolition contractors to ensure their invoices and supporting documents are correct, complete, and processed in a timely manner.

### **DEMOLITION ADVANCE FUND**

On March 31, 2015, through the approval of City Council, the \$20 million Demolition Advance Fund (“DAF”) was created. The sole purpose of the DAF was to ensure the DLBA had sufficient cash flow to make payments to contractors providing services under the HHF program, while the DLBA awaits reimbursement payments from MSHDA. The DLBA in partnership with the Office of the CFO has been working to amend the Memorandum of Understanding with the City to ensure conformity with the City Council’s Resolution that created the DAF. The amended agreement will be presented to City Council upon completion.

As a result of the DLBA’s efforts, working in conjunction with MSHDA and its City partners, more than 11,872 blighted structures were demolished with HHF money. The DLBA estimates demolition of an additional 3,100 structures with the remaining HHF allocation. Removal of these blighted structures from the City’s landscape stabilizes neighborhoods and motivates the real estate market, both of which are crucial to the City’s resurgence

## LEGAL DEPARTMENT

TIMOTHY DEVINE, GENERAL COUNSEL

### QUIET TITLE

The Legal Department files and oversees expedited Quiet Title Actions pursuant to authority under Section 9 of the Land Bank Fast Track Act, MCL 124.759. On September 2, 2014 the Chief Judge of the Wayne County Circuit Court issued a special docket directive creating a special docket allowing the Detroit Land Bank Authority to file these actions in an efficient manner. The DLBA files quiet title actions on its properties, enabling the DLBA to sell those properties with clear, insurable title. Clear, insurable title is very important for anyone buying property—not just from the DLBA, but in general. Clear title provides the property owner confidence in their ownership and any investment they make. It is also an absolute requirement for any lending institution considering financing a mortgage. As of June 30, 2019, this last quarter, the Legal Department obtained five hundred thirty-two (532) quiet title judgments.

### NUISANCE ABATEMENT / ABANDONED PROPERTIES

The DLBA established its Nuisance Abatement Program (NAP) in February 2014. The Detroit City Council delegated non-exclusive authority to commence Nuisance Abatement litigation on February 18, 2014 (Council Action Number 23). Properties meeting the NAP criteria are: vacant and unoccupied, boarded, open to trespass, appear to be abandoned or neglected.

The DLBA initially identifies NAP property addresses using government data, then locations are verified by investigators, community groups, or neighbors in targeted geographic areas. The City of Detroit Department of Neighborhoods defined the NAP Target Areas with input from members of the community. To determine specific boundaries, the DLBA used data sources to specify areas where NAP actions would be most effective—areas with relatively low levels of vacancy where a limited number of NAP lawsuits could make a significant difference on an otherwise stable block.

Service of Process is achieved as to all current owners. The DLBA conducts a search of tax and title records for each property to determine current interest holders of record, including owners, mortgage companies, and any other liens. The NAP civil suit names current owners of record and requests abatement of the 'nuisance' created by the property's condition. Owners or interest holders in properties who fail to respond to the lawsuit may lose their ownership rights to the property at a hearing for default judgment.

During the most recent quarter, as of June 30, 2019, the Legal Department identified, placed notices ("posters") on two hundred and four (204) and filed suit against one hundred and forty-six (146) properties in thirty-eight (38) different neighborhoods throughout the City. These actions resulted in agreements to address the blight or in judgments awarding ownership of the properties to the DLBA facilitating blight resolution through the DLBA's various programs.

This quarter, there were one hundred and four (104) agreements with property owners to rehabilitate their properties. Additionally, the NAP program obtained twenty-eight (28) default judgments, one (1) donation of abandoned property to the DLBA in lieu of litigation, and seven (7) properties purchased from defendant property owners in cost-saving settlements.

NAP lawsuits are an important tool in fulfilling the DLBA's mission of stabilizing neighborhoods by addressing blighted and abandoned property.

## COMPLIANCE

The DLBA's Compliance Team enforces agreements signed by property owners who have either purchased a property from the DLBA ("Sales Compliance"), or whose property was the subject of a Nuisance Abatement Program action ("NAP Compliance"). For both Sales and NAP Compliance, property owners agree to rehabilitate the property within six (6) months and provide regular updates to the Compliance Team documenting and verifying progress. If a property owner is not able to achieve compliance within the initial timeframe, but has shown acceptable "proof of progress," the Compliance Team provides 90-day extensions. The Compliance team provides an automatic 90-day extension for properties located in a historic district or properties purchased in the winter.

The Sales Compliance reporting period begins on the date of closing, when the property owner takes title to the property and obtains possession. At closing, the property owner simultaneously executes a Reconveyance Deed the DLBA can record if the property owner fails to rehabilitate the property and meet the obligations outlined in the purchase agreement. Achieving Sales Compliance involves an objective, three-part criteria including:

1. obtaining the appropriate inspection from the City of Detroit's Building Safety Engineering Environmental Department (BSEED)
2. occupying the property
3. exterior maintained – no boards, no blight.

The NAP Compliance program works with property owners who have entered into an agreement to avoid or stop litigation on properties identified as vacant, blighted, and a nuisance. The agreement outlines their responsibilities for rehabilitating or demolishing the property or selling it to someone who will. If the property owner fails to provide "proof of progress" on the subject property, the Compliance Team transfers the matter to DLBA attorneys for court action. To achieve NAP Compliance owners must demonstrate the property is no longer a nuisance to the residents and the neighborhoods evidenced by occupancy and exterior maintenance – no boards, no blight. After achieving NAP Compliance, the DLBA releases its lis pendens and dismisses the lawsuit.

	Auction/ Own It Now (Sales)			Community Partners (Sales)			Nuisance Abatement Program (NAP)			All Programs		
	Program-to-Date	2019	2nd Quarter CY19 (4/1-6/30)	Program-to-Date	2019	2nd Quarter CY19 (4/1-6/30)	Program-to-Date	2019	2nd Quarter CY19 (4/1-6/30)	Program-to-Date	2019	2nd Quarter CY19 (4/1-6/30)
<b>Currently Monitored</b>	2776	983	508	55	8	4	584	199	111	3415	1190	623
<b>Compliance Achieved</b>	2087	473	243	96	8	4	1190	98	51	3373	579	298
<b>*Failed Compliance Obligations</b>	480	56	16	55	1	0	271	178	23	806	235	39

\*Does not adjust for properties placed into a new DLBA program after re-conveyance is completed, or after judgment is taken

### **Compliance Properties On The Dangerous Buildings List**

The Compliance team worked diligently in the fourth quarter to manage and process Dangerous Buildings List deferral applications. In the previous quarter, the DLBA Compliance team sent a mass email to 382 property owners regarding their property's status on the Dangerous Buildings list; maintained by the Buildings, Safety, Engineering and Environmental Department (BSEED) and approved by City Council. In response to feedback from those property owners, the DLBA, in collaboration with BSEED, developed a free, streamlined, online application process to assist homeowners seeking Dangerous Buildings list deferrals.

To eliminate this incumbrance for future buyers, the DLBA stopped sale on Auction and Own-It-Now properties with a Dangerous Buildings List designation. Throughout the fourth quarter, representatives from the Community Affairs, Inventory, and Legal departments worked in collaboration with BSEED on a long-term solution. The result was a resolution, drafted by the City's Law Department, that, if adopted, removes all properties associated with the DLBA from the Dangerous Buildings list. This resolution is expected to come before City Council in the first quarter of fiscal year 2020.

Q4 Compliance Success Stories

**519 E PHILADELPHIA – NAP**



**4159 LINCOLN - NAP**



Q4 Compliance Success Stories

**9180 GOODWIN - AUCTION**



**2498 LOTHROP - AUCTION**



Q4 Compliance Success Stories

843 PINGREE - NAP



18960 WESTMORELAND – OWN-IT-NOW



## ADMINISTRATION & OPERATIONS

KELLEY SINGLER, DIRECTOR OF ADMINISTRATION & OPERATIONS

The Administration & Operations Departments of the Detroit Land Bank Authority (DLBA) directs the day-to-day organization operations and centralized resources of the DLBA. Administration & Operations is charged with the stewardship of the organization; providing Human Resources, Office Management, Information Technology, and Data Solutions support. In addition to internal programming, Administration & Operations administers many external DLBA programs utilized by the public and other City entities. These include the DLBA's Salesforce database; curators of buildingdetroit.org; and as of January 2019, Client Services.

### HUMAN RESOURCES / OFFICE MANAGEMENT

The DLBA continues to expand and diversify its staff, developing an employee-oriented culture emphasizing quality, continuous improvement, and high performance. The continued growth necessitates changes in organization procedures and practical implementation.

In addition to special improvement project, ongoing day-to-day support of DLBA staff consists of:

- Organization point person for maintenance, supplies, invoices, and equipment
- Represent DLBA interests through continual engagement with Guardian Building, Cobo Parking, USPS, maintenance and project contractors, and other external vendors
- Audit and distribute building access keys
- Audit and distribute Cobo Parking access keys
- Assist with DLBA new hire onboarding
- Coordinate and execute monthly DLBA Board Meetings, Committee Meetings, and other public forums
- Oversees maintenance of office efficiency and cleanliness of all common areas (kitchen, copy room, file rooms)
- Ensure DLBA facilities are clean, orderly and safe

### INFORMATION TECHNOLOGY

Information Technology (IT) administration and support is a core function of the DLBA, providing server administration and desktop support for the entire DLBA, ensuring technology is invested in and utilized to streamline operations and deliver quality service. Last quarter the DLBA IT Team resolved 261 helpdesk tickets.

To stay aligned with industry standards and practices and learn more of these standards, and more on how to secure and protect data, the IT Team attended the Microsoft SharePoint Conference 2019 in May. The IT Team attended courses on the latest tools, security protocols, and operating trends by the industry leaders. Reiterating the power of securing data in the cloud, protecting data using One Drive, and SharePoint – all systems already in use at the DLBA. Affirming IT's overall procedures and goal of achieving an efficient document management system for the DLBA.

In addition, DLBA IT Services are required in the field ensuring staff have the necessary technology to meet the demands of DLBA clients. Q4 Events Included:

District Side Lot Sales (Monthly)

April Side Lot Fair (305 DLBA clients served; 438 Side Lots sold)

Buy Back Events

Building Block Events (Inventory community-focused campaign)

Ongoing IT Projects:

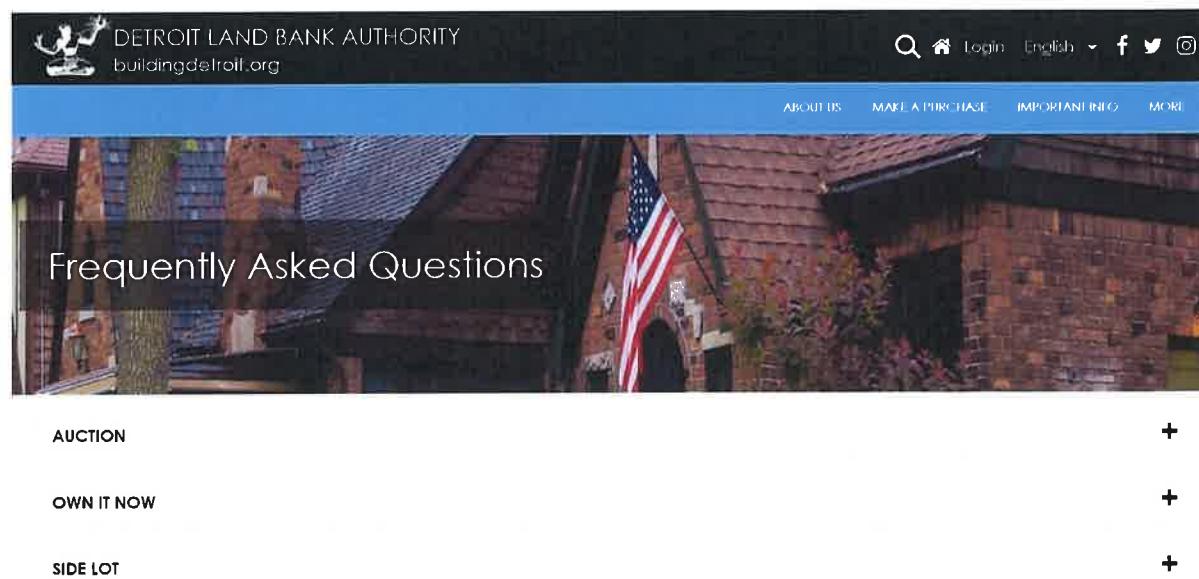
- Supporting General Counsel and DLBA Legal department FOIA and Discovery needs
- Managing network drive space allocations
- Management of asset inventory and warranty of equipment
- Working with Microsoft to plan document storage solution for all staff
- Increasing network security measures

## WEBSITE ENHANCEMENTS

Supporting the DLBA Buildingdetroit.org website is central to IT's Functionality. In Q4 the Web Support team resolved 123 support requests for bug fixes, security updates and minor process improvements.

Improvements to Website last quarter:

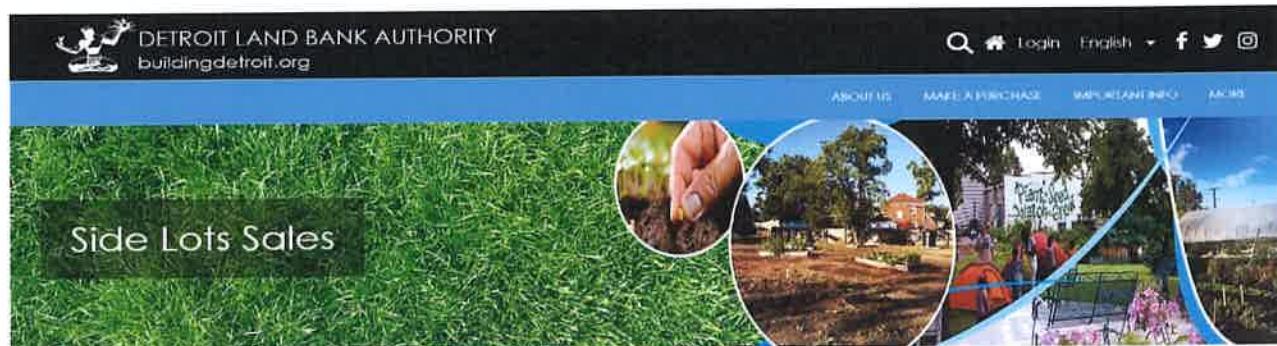
- Continuing revision to the Projects page
- Revised FAQs
- Redesigned Side Lots and Who We Are pages



AUCTION +

OWN IT NOW +

SIDE LOT +



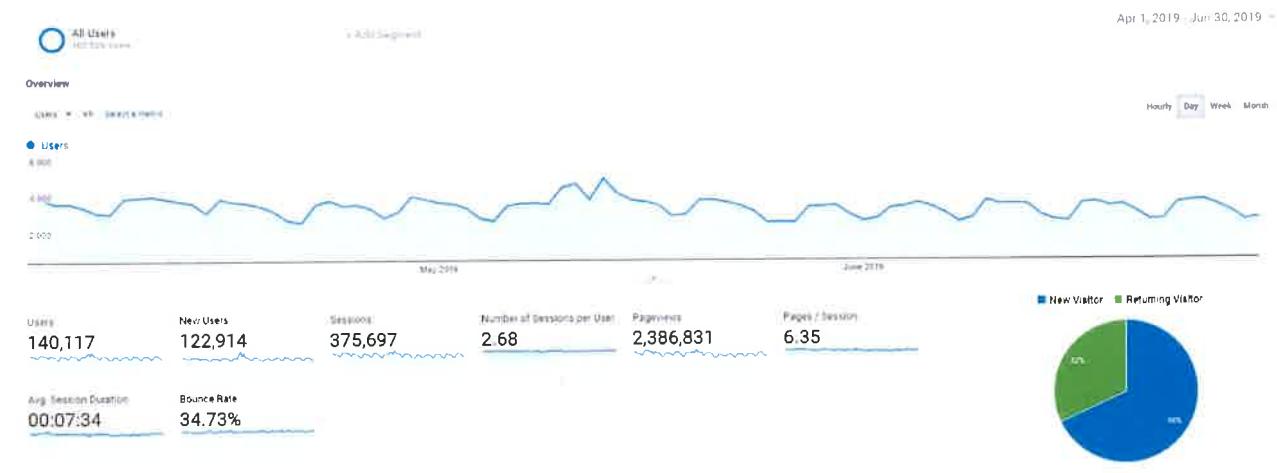
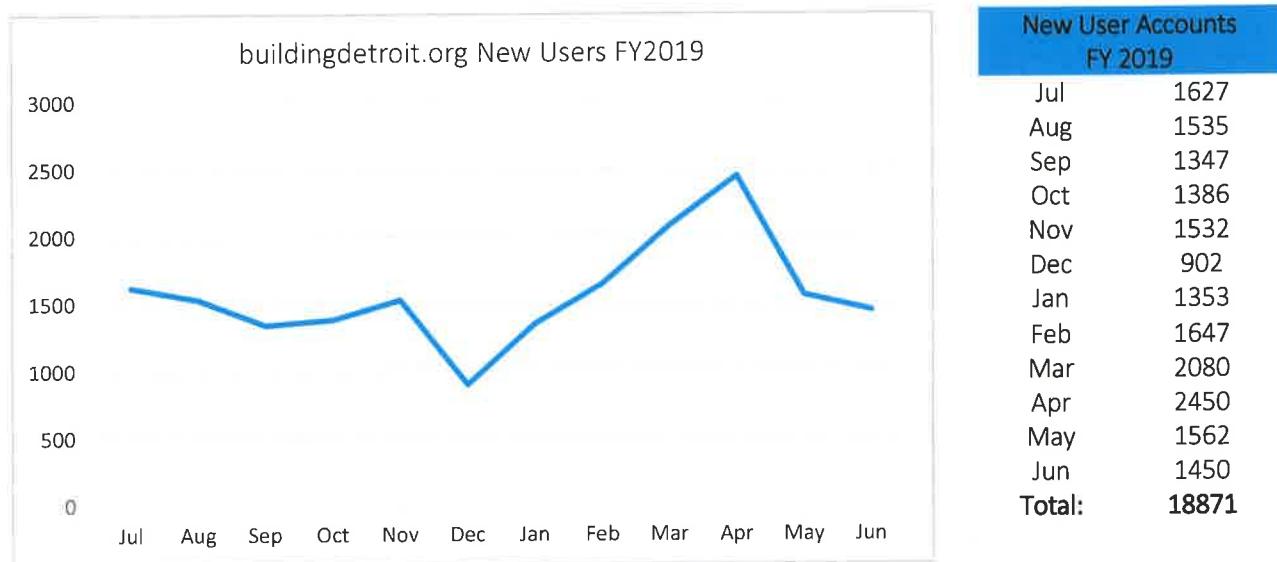
## Purchase a Side Lot

All Districts

Name/Address

Enter Your Home Address

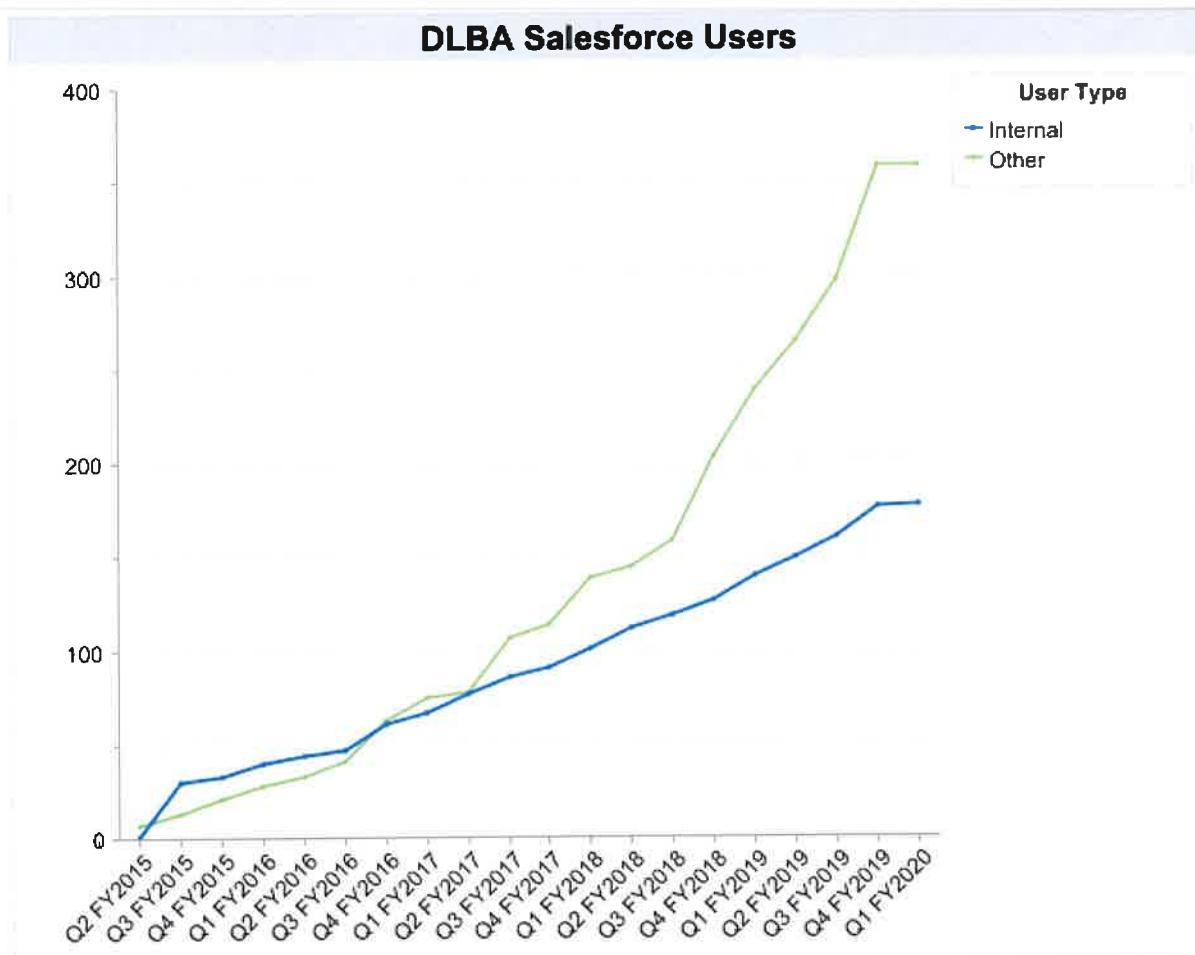
**VIEW LOTS**



## DATA SOLUTIONS

Data collection, organization, and analysis is critical to the functionality and forward growth of the Detroit Land Bank Authority's Inventory, Disposition, Demolition, and Legal departments. The DLBA's Salesforce system is the most comprehensive property database in the City of Detroit and the backbone of the DLBA. Since launching in Q1 2015, its user base, both internally and externally, has constantly increased. As City agencies discovered its comprehensive nature, the DLBA receives frequent requests to add users from departments with diverse missions; from the Detroit Police Department to the Detroit City Council and Department of Neighbors. The DLBA provides access and support at no cost to City agencies.

In Q4 2019 a record number of external Salesforce partner users were added. There are **531 active Salesforce users (173 DLBA; 358 Non-DLBA)**, **60 of which were added this quarter**.



The Detroit Police Department was a large contributor to this growth. The DLBA's robust Salesforce database/operational platform is of great value to the DPD in responding to the

concerns of Detroit Citizens, particularly related to property. *“Access to the DLBA instance of Salesforce helps DPD in two main ways: ownership verification and tracking of actions occurring at a property.”* Neil Tambe, Strategic Project Manager at the Office of the Chief of Police. We always look forward to increased partnership with City Agencies.

Tracking ownership helps DPD officers determine appropriate actions when an issue arises relating to a property. For example, if DPD receives a complaint at a property checking the ownership helps DPD determine whether the next steps should be to contact the owner, pursue action through the Detroit Land Bank Authority, or pursue action through other means.

Additionally, access assists the DPD understand what actions DLBA or other entities are taking at a property. For example, the property may be in the pipeline for demolition or DLBA may have the property as part of its Nuisance Abatement Program or drug house seizure projects.

Overall, having access to the DLBA’s Salesforce database provides a greater depth of understanding which in turn assists DPD officers make better, more informed, decisions regarding the appropriate action to take when a complaint is received regarding a property.

#### CLIENT SERVICES

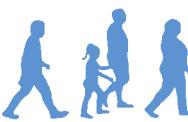
The DLBA Client Services team strives to provide exceptional customer service to our internal and external customers through information, resources, and transparency. The team is dedicated and resolution oriented, working to deliver comprehensive solutions to inquiries from customers, residents, and Detroit city agencies.

#### DLBA Call Center Summary Q1-Q4 FY2019



Revised DLBA Call Center Summary numbers to reflect previously unreported calls answered by DLBA Call Center Supervisors.

Many of our customers require assistance navigating computers and/or their smartphone. The Client Services team provide daily assistance on the in-office computers, helping clients understand how to purchase DLBA properties.

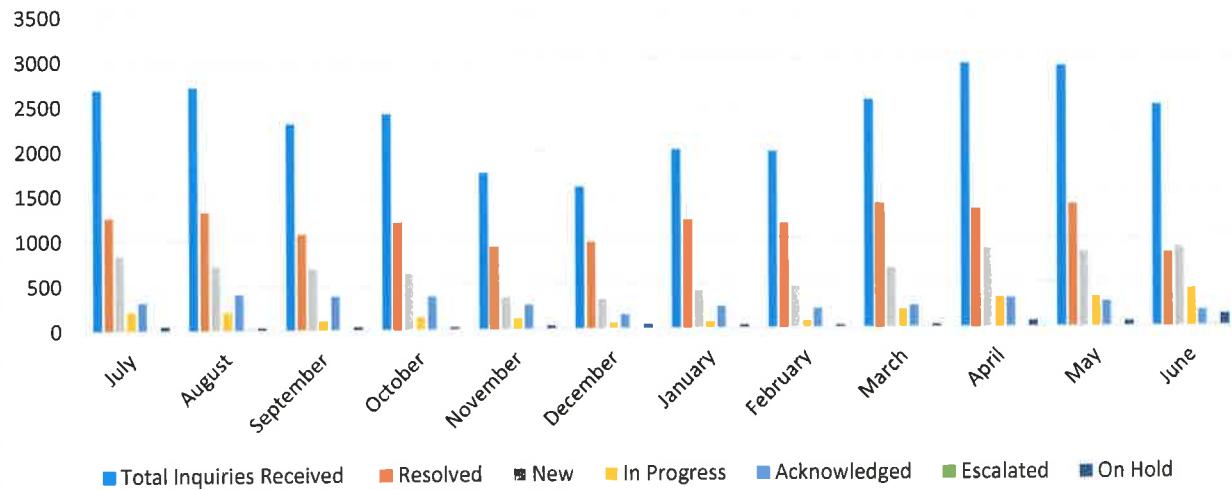
 **3,618** WALK-IN CLIENTS

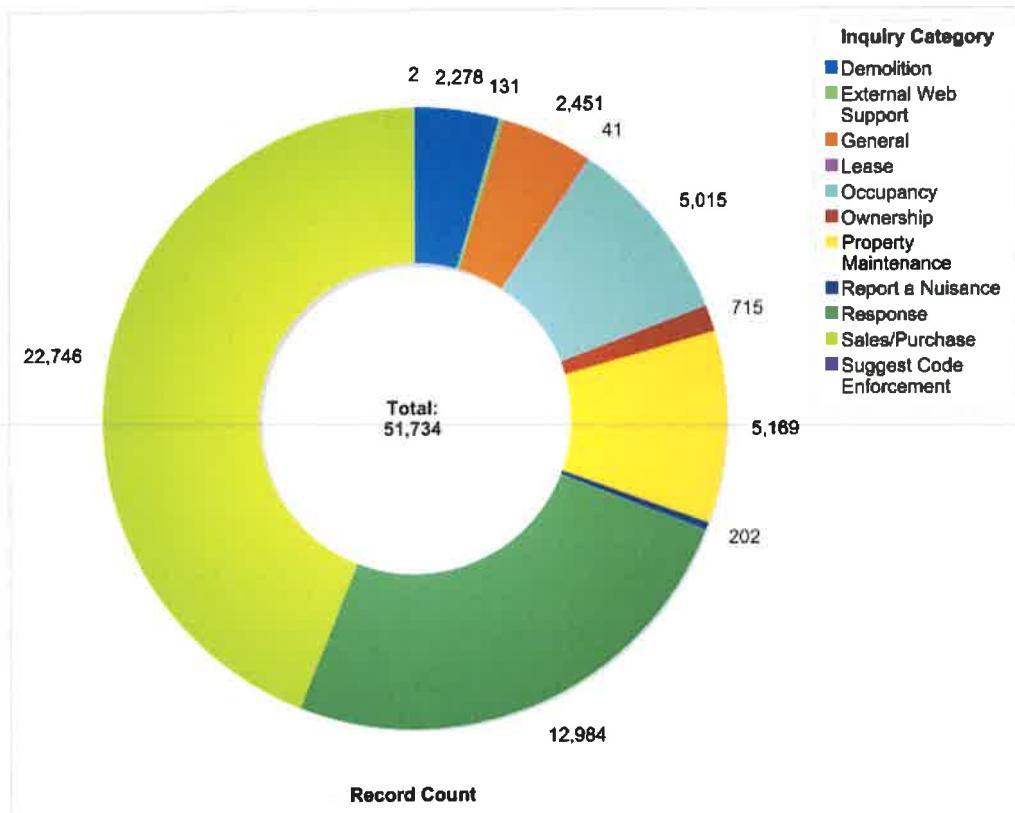
 **88%**  
Percentage of calls answers  
(Industry Standard - 80%)

 **12%**  
Percentage of calls abandoned  
(Industry Standard - 5-8%)

Managing Inquiry volume and ensuring responsiveness is paramount. Tracking Inquiry categories, sub-categories, and priority levels to automatically route each Inquiry to the appropriate person within each DLBA and Non-DLBA department facilitates resolutions. Dedicated staff in each department field inquiries and provide accountability.

DLBA Inquiries & Resolutions





Residents contact the DLBA to purchase properties and with concerns relating to other city agencies. Client Services regularly refer constituents to Office of the Assessor, Wayne County Treasurer and Register of Deeds, Detroit Building Authority, the Improve Detroit App, Zoning and Permit, etc.

Often, Detroit residents call the DLBA because they care about their community and need to be heard. Client Services takes the time to listen and strives to provide first call resolutions in a timely manner. Sometimes simply providing a sympathetic ear and listening is equally important.

#### A few words from our clients:

*"Representatives were very helpful and friendly and made me happy with their service."*

*"The front desk, staff are always helpful. Thank you for great service."*

*"I just wanted to let you know that you and your colleagues are good... for everything! Every time I called for help you all are so kind and helpful. Aloha from fam in Hawaii!"*

## FINANCE DEPARTMENT

IRENE TUCKER CHIEF FINANCIAL OFFICER  
JEFFREY LAM, CONTROLLER

## OVERVIEW

The Finance Department continues with the transformation process by aligning itself to fully support the DLBA's dynamic and ever-evolving operational day-to-day functions. The summary below will discuss (1) June 2019 Fiscal Year to Date Revenue and Expenses - Actual versus Budget; (2) Balance Sheet Highlights; and (3) Status Update on the Hardest Hit Fund.

June 2019 Fiscal Year to Date Revenue and Expenses - Actual versus Budget

Overall Revenue for the period was \$86.0M versus Budget of \$77.2M. Expenses were \$80.5M versus Budget of \$77.2M. Budget versus Actual variances were primarily driven by timing of demolition activities being executed relating to the Hardest Hit Fund – Rounds 4 and 5.

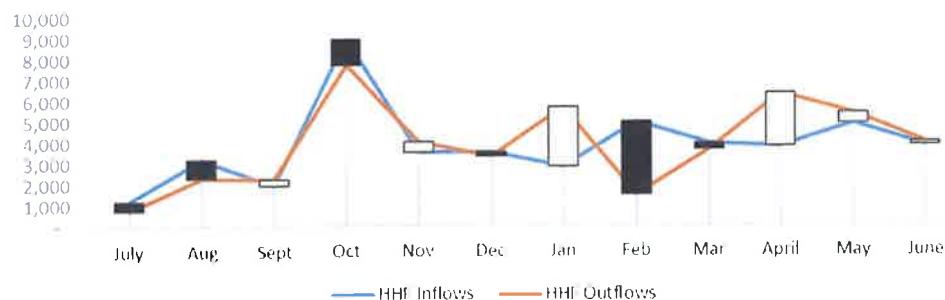
June 2019 Balance Sheet Highlights

- The Balance Sheet ended strong with a working capital ratio showing that the DLBA's current assets exceeded current liabilities by 1.6 times.
- Restricted cash balance of \$7.6M consisted of maintenance fees for over 11,800 demolitions completed within the Hardest Hit Fund Program (inception to date), along with private donor donations where obligations have not been fulfilled.
- Designated cash from private donors and contractual obligations amounted to \$11.9M (i.e., Demolition, Rehabbed Programs).

Hardest Hit Fund UpdatesFY19 Activity

From July 2018 through June 2019, over \$47.9M was paid for reimbursable demolition expenses relating to this program. Cash receipts from our partner, MSHDA, exceeded \$41.5M representing reimbursements of over 2,100 demolitions. However, it is projected that the timing of payments to vendors will continue to exceed reimbursements within this fiscal year. The chart on the following page is a summary of the projected cash flows through the end of this fiscal year.

HHF FY 2019 Projected Cash Flows  
(excluding Demolition Advance Funding)  
(in Millions)



### Inception to Date

To date, the Hardest Hit Fund reimbursed expenses exceeded \$196M and reimbursements were \$182M for direct costs only. Thanks to the ongoing support of both City Council and the City of Detroit, the Demolition Advance Fund significantly supported vendor payments through the program. As of June 30, 2019, there was an outstanding balance of \$10M that will be paid in full upon the completion of the program – see Chart below. We look forward to our continued partnership with City Council and the City of Detroit in eliminating blight.

Date	Action	\$ Amount
March-15	Setup of Fund	20.0
April-15	Draw # 1	(15.0)
April-16	Repayment	10.0
August-16	Draw # 2	(4.0)
October-16	Draw # 3	(6.0)
June-17	Repayment	5.0
May-18	Repayment	5.0
October-18	Draw # 4	(5.0)
<b>June 30, 2019 Net Draw Balance</b>		<b>(10.0)</b>
<b>June 30, 2019 Available Balance</b>		<b>10.0</b>

## Appendix

1. Unaudited Year to Date June 30, 2019 Revenue and Expenses
2. Unaudited June 30, 2019 Balance Sheet
3. Summary of DLBA's Revenue Funding Sources
4. Graphic Summary of Revenue and Expenses

APPENDIX 1 UNAUDITED YEAR TO DATE JUNE 30, 2019 REVENUE AND EXPENSES

**Income Statement Summary- Management View**

7/12/2019 11:04 AM

Company Name: **Detroit Land Bank Authority**  
 As of Period Ending: **2019/012**  
 Audit Status: **Unaudited**  
 Report Status: **Draft**

City Council Grouping Level	Actual YTD	Budget YTD	Variance
<b>Income</b>			
Structure Sales	10,725,669	4,928,897	5,796,772
Side Lot Sales	998,801	350,000	648,801
Cost of Inventory	(1,481,800)	0.00	(1,481,800)
Discounts	(2,285,630)	0.00	(2,285,630)
Gain (Loss) on Sale of Property	(80,287)	0.00	(80,287)
<b>Total Net Sales</b>	<b>7,876,752</b>	<b>5,278,897</b>	<b>2,597,855</b>
Government Revenue	60,230,159	56,642,241	3,587,918
<b>Total Government Revenues(MSHDA)</b>	<b>60,230,159</b>	<b>56,642,241</b>	<b>3,587,918</b>
COD Operating	14,000,000	14,000,000	0
COD Blight	2,493,940	0.00	2,493,940
<b>Total City of Detroit Revenue</b>	<b>16,493,940</b>	<b>14,000,000</b>	<b>2,493,940</b>
Inter-Company Revenue	552,572	0.00	552,572
Private Grant Revenue	980,918	700,000	280,918
<b>Total Other Private Grant Revenue</b>	<b>1,513,490</b>	<b>700,000</b>	<b>813,490</b>
Donated Goods and Service	343,950	0.00	343,950
Inventory Impairment	(2,137,451)	0.00	(2,137,451)
<b>Total Donated Goods and Service</b>	<b>(1,793,501)</b>	<b>0.00</b>	<b>(1,793,501)</b>
5/50 Proceeds	909,526	450,000	459,526
Closing Refunds to the Seller	206,710	0.00	206,710
Fire Escrow Proceeds	40,606	0.00	40,606
Housing Showing Fees	28,805	11,000	17,805
Lease Revenue	10,725	20,000	(9,275)
Legal Recoveries	32,232	25,000	7,233
Other Income	35,682	0.00	35,682
Quiet Title Fees	430,241	60,000	370,241
<b>Total Other Income</b>	<b>1,694,427</b>	<b>568,000</b>	<b>1,126,427</b>
Inter-Department Revenue	1,251,387	1,251,387	0.00
<b>Total Inter-Departmental</b>	<b>1,251,387</b>	<b>1,251,387</b>	<b>0.00</b>

APPENDIX 1 UNAUDITED YEAR TO DATE JUNE 30, 2019 REVENUE AND EXPENSES

<b>SUB TOTAL</b>	<b>87,286,654</b>	<b>78,438,525</b>	<b>8,828,129</b>
<b>Elimination</b>			
Inter-Department Revenue	(1,251,387)	(1,251,387)	0.00
Total Inter-Departmental	(1,251,387)	(1,251,387)	0.00
	(1,251,387)	(1,251,387)	0.00
<b>Total Income</b>	<b>86,015,267</b>	<b>77,187,138</b>	<b>8,828,129</b>
<b>Expenses</b>			
General Admin Costs	1,509,329	1,810,549	301,220
Personnel Costs	11,300,289	12,107,242	806,953
Facilities Costs	1,584,347	1,348,047	(236,300)
Professional Services	2,840,378	4,970,242	2,129,864
Program Expense	63,234,358	56,951,058	(6,283,300)
Inter Company Expenses	1,251,387	1,251,387	0.00
	<b>81,720,088</b>	<b>78,438,525</b>	<b>3,281,563</b>
<b>SUB TOTAL</b>	<b>81,720,088</b>	<b>78,438,525</b>	<b>3,281,563</b>
<b>Elimination</b>			
Inter Company Expenses	(1,251,387)	(1,251,387)	0.00
	(1,251,387)	(1,251,387)	0.00
	(1,251,387)	(1,251,387)	0.00
<b>Total Expense</b>	<b>80,468,701</b>	<b>77,187,138</b>	<b>3,281,563</b>
<b>Net Income</b>	<b>5,546,566</b>	<b>(0)</b>	<b>5,546,566</b>

APPENDIX 2 UNAUDITED JUNE 30, 2019 BALANCE SHEET

**Balance Sheet Detailed - Management View**

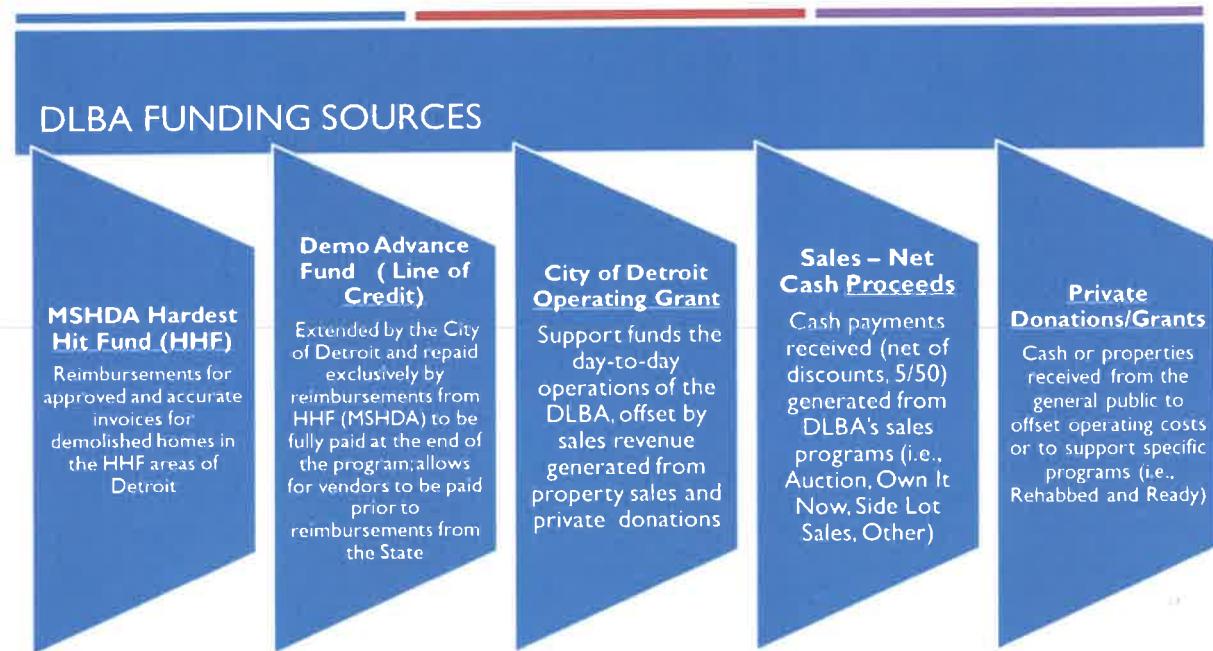
7/12/2019 11:07 AM

**Company Name:** Detroit Land Bank Authority  
**As of Period Ending:** 2019/012  
**Audit Status:** Unaudited  
**Report Status:** Draft

Balance Sheet	Current Period June 30 (Last year)	Current Vs June
<b>Current Assets</b>		
Cash and Cash Equivalents	21,099,730	20,291,061
Accrued/Accounts Receivable	38,900,405	19,456,157
Other Current Assets	21,795,762	23,407,430
<b>Current Assets Total</b>	<b>81,795,896</b>	<b>63,154,648</b>
<b>Fixed Assets</b>		
Fixed Assets	683,008	616,331
<b>Fixed Assets Total</b>	<b>683,008</b>	<b>616,331</b>
<b>Total Assets</b>	<b>82,478,905</b>	<b>63,770,979</b>
<b>Current Liabilities</b>		
Demo Advance Fund - City of Detroit	10,000,000	5,000,000
Accrued/Accounts Payable/Other Liabilities	36,743,679	28,582,318
<b>Current Liabilities Total</b>	<b>46,743,679</b>	<b>33,582,318</b>
<b>Equity</b>		
Equity	35,735,226	30,188,661
<b>Equity Total</b>	<b>35,735,226</b>	<b>30,188,661</b>
<b>Total Liabilities and Equity</b>	<b>82,478,905</b>	<b>63,770,979</b>
		<b>18,707,926</b>

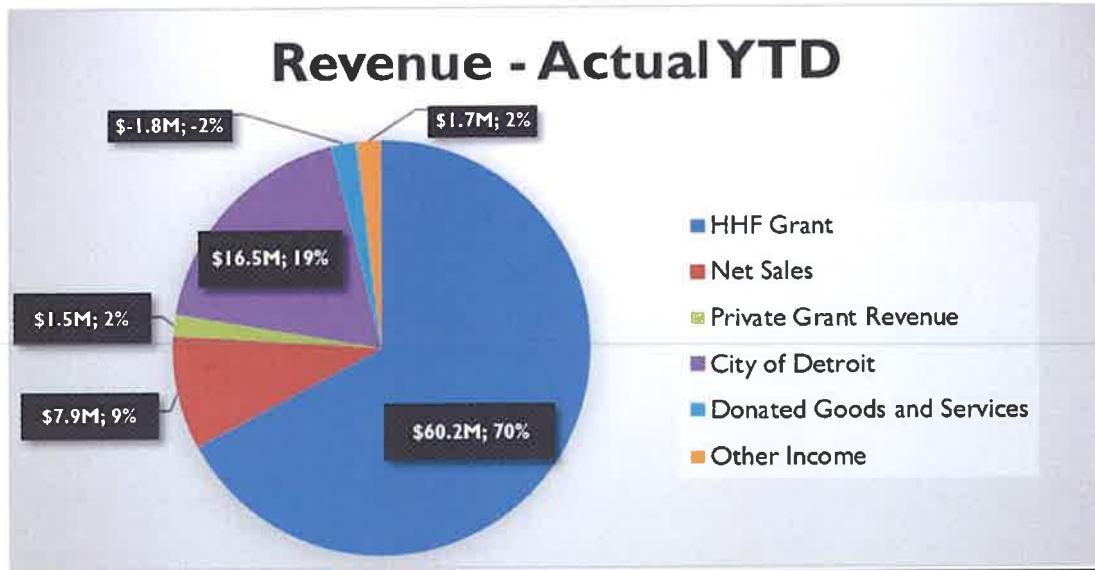
## APPENDIX 3 SUMMARY OF DLBA'S REVENUE FUNDING SOURCES

### Summary of DLBA's Revenue Funding Sources



## APPENDIX 4 GRAPHIC SUMMARY OF REVENUE AND EXPENSES

### Fiscal Year 2019 – June Year to Date Revenue Summary



\*HHF Grant includes: State Revenues, HHF Admin Fee, and HHF Maintenance Fee

\*Net Sales includes: Structure Sales, Discounts, Side Lot Sales, Gain (Loss) on Sale of Property, minus Cost of Inventory

\*Private Grant Revenue includes: Private Grant Revenue and Inter-Company Revenue

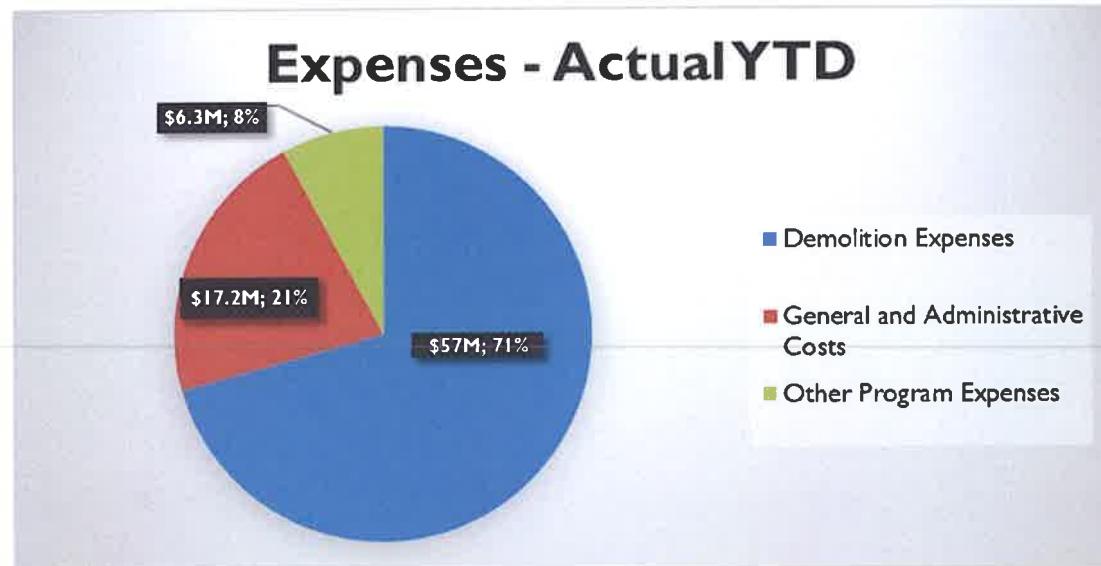
\*Donated Goods and Services includes: Donated Goods and Services minus Impairment of Inventory

\*City of Detroit includes: City Revenues and Non-Reimbursable – Demo – City of Detroit

\*Other Income includes: 5/50 Proceeds, Closing Refunds, Fire Escrow Proceeds, House Showing Fees, Lease Revenue, Legal Recoveries, Other Income, Program Income, and Quiet Title Fees

## APPENDIX 4 GRAPHIC SUMMARY OF REVENUE AND EXPENSES

### Fiscal Year 2019 – June Year to Date Expenses Summary



\*Demolition Expenses include: Demolition General, Demo – Asbestos Survey, Other Surveys, Demo Winter Grade, Abatement Remediation, Demo Over 25K, Demo Non-Reimbursable, Demo Non HHF, Demo Utility Cut and Demo Clean Fill

\*General and Administrative Costs include: Facilities Costs, General Administration Costs, Inter-Company Expense, Personnel Costs and Professional Services minus Inter-Departmental Expense

\*Other Program Expenses include: Program Expense (excluding all direct Demolition Expenses listed above; but include indirect demolition expenses – lot cuts )



CITY OF DETROIT  
PLANNING AND DEVELOPMENT DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE SUITE 808  
DETROIT, MICHIGAN 48226  
(313) 224-1339 • TTY:711  
(313) 224-1310  
WWW.DETROITMI.GOV

June 27, 2019

Detroit City Council  
1340 Coleman A. Young Municipal Center  
Detroit, MI 48226

**RE: Community Benefits Provision for Tier 1 Development Projects  
The Mid – Real Estate Interests, LLC**

Honorable City Council:

Real Estate Interests, LLC (“REI”) is undertaking the development of a 3.8 acre site at 3750 Woodward Avenue, Detroit, MI that includes: (1) 100,000 square feet of retail space, (2) a 225-key boutique hotel, (3) hundreds of multi-family residences, (4) affordable housing, (5) co-living housing units and (6) 60 condos (collectively the “Project”).

Under the City of Detroit Ordinance 35-16 (“Ordinance”), codified in Chapter 12, Article XII of the Detroit City Code (“Code”), development projects that qualify as a “Tier 1 Development Project” are subject to certain community engagement procedures (the “CBO Process”). Because the Project is expected to incur an investment of at least \$75 million and to involve the abatement of more than \$1 million in City taxes, the Project qualifies as a Tier 1 Development Project under the Ordinance and thus is subject to the CBO Process.

The Project was reviewed by a Neighborhood Advisory Council (“NAC”) as part of the CBO Process to ascertain the community’s concerns related to any impacts the Project may have on the surrounding community and the ways by which REI plans to address those impacts. A Community Benefits Report was prepared for the Project as a result of the CBO Process and such report has been submitted in accordance with Section 14-12-3 of the Code. REI has agreed to address the concerns raised during the CBO Process by entering into that certain “Community Benefits Provision for Tier 1 Development Projects – The Mid” that is included as Exhibit A to the attached resolution (the “Provision”).

We hereby request that your Honorable Body adopt the attached resolution that approves the Provision in furtherance of the Project.

Respectfully submitted,

Maurice Cox, Director  
Planning and Development Department

cc: S. Washington (Mayor’s Office)

## RESOLUTION

BY COUNCIL MEMBER: \_\_\_\_\_

**NOW, THEREFORE BE IT RESOLVED**, that the Planning & Development Department's ("P&DD") The Mid Community Benefits Agreement Report in the attached Exhibit B incorporated herein is hereby received and filed by Detroit City Council; and be it further

**RESOLVED**, that the "Community Benefits Provision for Tier 1 Development Projects – The Mid" attached hereto as Exhibit A (the "Provision") is hereby approved, and be it further

**RESOLVED**, that the P&DD Director, or his authorized designee, is hereby authorized to execute the Provision; and be it finally

**RESOLVED**, that the Provision will be considered confirmed when executed by the P&DD Director, or his authorized designee, and approved by the Corporation Counsel as to form.

**EXHIBIT A**

COMMUNITY BENEFITS PROVISION  
FOR  
TIER 1 DEVELOPMENT PROJECTS

(The Mid)

[SEE ATTACHED]

**COMMUNITY BENEFITS PROVISION  
FOR  
TIER 1 DEVELOPMENT PROJECTS**

(The Mid)

**THIS COMMUNITY BENEFITS PROVISION (“Provision”)** is entered into as of its Effective Date, as hereinafter defined, by and between the City of Detroit (“CITY”), a Michigan municipal corporation acting through its Planning and Development Department, and 3750 Woodward Avenue, LLC (“DEVELOPER”), a Michigan limited liability company with an office at 4000 Town Center, Suite 700 Southfield, MI 48075. The CITY and the DEVELOPER may each be referred to herein as a “Party” or collectively as the “Parties” to this Provision, as applicable.

**RECITALS**

**WHEREAS**, DEVELOPER is undertaking the development of a 3.8 acre property at 3750 Woodward Avenue, Detroit, MI that includes: (1) 100,000 square feet of retail space, (2) a 225-key boutique hotel, (3) hundreds of multi-family residences, (4) affordable housing, (5) co-living housing units and (6) 60 condos (collectively the “Project”).

**WHEREAS**, under City of Detroit Ordinance No. 35-16 (“Ordinance”), codified in Chapter 14, Article XII of the Detroit City Code (“Code”), effective as of November 29, 2016, certain development projects referred to therein as “Tier 1 Development Projects” are subject to certain community engagement procedures as set forth in the Ordinance (as in existence as of the date hereof, the “CBO Process”) to determine the outstanding issues related to the Project and the best means of mitigating the concerns of the community pertaining directly to the development of the Project.

**WHEREAS**, because the Project is expected to incur an investment of at least \$75 million and to involve the abatement of more than \$1 million in city taxes, the Project qualifies as a ‘Tier 1 Project’ under the Ordinance and thus is subject to the CBO Process.

**WHEREAS**, the Project was reviewed through a CBO Process by a Neighborhood Advisory Council (“NAC”) and the CITY has prepared a Community Benefits Report (“Report”) regarding the Project, all in accordance with Section 14-12-3 of the Code.

**NOW THEREFORE**, the CITY and DEVELOPER agree as follows:

**Section 1: Addressing Community Impacts.** The DEVELOPER understands that through the community engagement process set forth in the Ordinance, certain concerns have been raised by the Neighborhood Advisory Council regarding the Project’s anticipated impact on the community, all of which are itemized in the Report. The DEVELOPER acknowledges these concerns by agreeing to the commitments set forth in the attached Exhibit A, which is incorporated herein by reference. The DEVELOPER further agrees that all above-referenced

actions cumulatively bear an essential nexus with and are proportional to the type and magnitude of the impacts to the community that the NAC has identified and that the DEVELOPER has acknowledged.

**Section 2: Continued Community Engagement.** DEVELOPER has been actively engaging with the community for input and will continue to do so throughout the development of the Project. The DEVELOPER acknowledges and understands that pursuant to Section 14-12-3(f)(3) of the Code, the CITY will facilitate at least one (1) meeting annually between the DEVELOPER and the NAC. The CITY will facilitate, and the DEVELOPER must attend, such meetings on an annual basis for a period of two (2) years following the Effective Date of this Provision. The purpose of such meetings will be to discuss anticipated or actual impacts of the Project on the community and to coordinate the implementation of the DEVELOPER's efforts to address such impacts, among other topics that the CITY may determine.

**Section 3: Compliance Reports.** The DEVELOPER must submit to the CITY annual compliance reports that summarize the DEVELOPER's progress on and compliance with the obligations set forth on Exhibit A and the other community engagement obligations set forth herein.

**Section 4: Meetings.** Upon request by either Party, the Parties will meet at their mutual convenience, whether in person or by video conference, telephone, or other convenient means, to review any aspect of this Provision and each Party's rights and obligations hereunder.

**Section 5: Recordkeeping and Reporting.** Each Party will maintain information pertinent to its activities under this Provision for at least two (2) years following the expiration or earlier termination of this Provision, but in no case for less time than may be required to maintain compliance with Applicable Laws.

**Section 6: Indemnification.** The DEVELOPER will indemnify, defend, and hold the CITY harmless against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges, losses and expenses (including, without limitation, reasonable fees and expenses for attorneys, expert witnesses and other consultants) that may be imposed upon, incurred by, or asserted against the CITY or its departments, officers, employees, or agents by reason of (a) any grossly negligent act, error, or omission caused by the DEVELOPER, (b) any failure by the Developer to perform its obligations under this Provision, or (c) any injury to the person or property of an employee of the CITY where such injury arises out of the Developer's performance under this Provision.

**Section 7: Compliance with Laws.** Each Party acknowledges that it is individually responsible for maintaining compliance in all respects with all applicable federal, state, and local laws, rules, regulations, and orders having the binding effect of law (collectively "Applicable Laws"). Neither Party will be responsible for ensuring the other Party's compliance with Applicable Laws at any time, unless so required under Applicable Laws.

**Section 8: Non-Discrimination.** The DEVELOPER will, in addressing community impacts as set forth in Section 1 herein, or in performing its activities set forth herein, refrain from refusing,

restricting, withholding, or denying any accommodations, services, privileges, advantages or facilities or otherwise discriminating, whether directly or indirectly, on the basis of race, color, ethnicity, national origin, religious beliefs or practices, age, disability, pregnancy, marital status, parental status, military status, employment or educational status, gender, sex, sexual orientation, gender identity or expression, or any other protected or designated classification, in accordance with Chapter 27 of the Detroit City Code and other Applicable Laws.

**Section 9: Community Reporting.** The Parties acknowledge and understand that pursuant to Section 14-12-3(f)(4) of the Code, members of the community may report to the NAC allegations of the DEVELOPER's failure to comply with this Provision. Community members can submit such reports to the CITY by personal delivery with receipt obtained or by registered or certified first-class mail with return receipt requested at the following address:

City of Detroit, Planning & Development Department  
2 Woodward Avenue, Suite 808  
Detroit, MI 48226  
*Attention: Director*

The CITY will forward all such reports from community members to the NAC for the Project, which may take further action in accordance with Section 14-12-3(f) of the Code.

**Section 10: Breach and Default.** The failure by either Party to comply with its obligations under this Provision, which is not caused by the other Party's failure to comply with its own obligations under this Provision, will constitute a material breach of this Provision.

- A. In the event of DEVELOPER's material breach of this Provision, the DEVELOPER will be considered to be in default of this Provision upon the DEVELOPER's failure to cure such breach within sixty (60) days after written notice of such breach and demand to cure by the CITY, provided, however, that if the nature of DEVELOPER's default is such that more than sixty (60) days is reasonably required for its cure, then DEVELOPER will not be deemed to be in default if DEVELOPER, with the CITY's acknowledgment and consent, commences such cure within said period and thereafter diligently pursues such cure to completion.
- B. In the event of DEVELOPER's violation of this Provision, DEVELOPER will comply with such enforcement and mitigation efforts as are determined by the Enforcement Committee in consultation with the NAC, or City Council (as applicable), until the City Council has determined that DEVELOPER is in compliance or has taken adequate steps to mitigate violations, all in accordance with Section 14-12-3(f) of the Code.
- C. In the event of the CITY's material breach of this Provision, the CITY will be considered to be in default of this Provision upon the CITY's failure to commence its cure of such breach and thereafter diligently pursue such cure to completion within ninety (90) days after written notice of such breach and demand to cure by the DEVELOPER.

**Section 11: Effective Date, Term, and Termination.** This Provision has no force or effect until the date upon which it has been fully executed by the duly authorized representative of the CITY (if necessary, pursuant to the resolution of the Detroit City Council as approved by the Mayor of the City of Detroit), and has been approved by the City of Detroit Law Department (“Effective Date”). This Provision will remain in effect until completion of the Project and Developer’s satisfaction of all of the obligations hereunder, or earlier termination by the Parties if so approved by the City Council. The term of this Provision will be equal to the period of time necessary for both Parties to satisfy all of their respective obligations set forth in this Provision, at which time and upon written notice by either Party the term of this Provision will expire.

**Section 12: Amendments.** No amendment to this Provision will have any force or effect against either Party unless it is in writing, expressly makes reference to this Provision, is fully executed by the duly authorized representative of the CITY (if necessary, pursuant to the resolution of the Detroit City Council as approved by the Mayor of the City of Detroit) and DEVELOPER, and is approved by the City of Detroit Law Department.

**Section 13: Notices.** All notices, requests, notifications, and other communications (collectively, “Notices”) related to this Provision shall be given in writing, signed by an authorized representative of the Party and sent by United States mail, registered or certified, return receipt requested, postage prepaid, or sent by express, overnight courier to the respective parties at the addresses listed below, and shall be deemed delivered one (1) business day after the delivery or mailing date:

If to CITY: City of Detroit, Planning & Development Department  
2 Woodward Avenue, Suite 808  
Detroit, MI 48226  
*Attention: Director*

With a copy to: City of Detroit, Law Department  
2 Woodward Avenue, Suite 500  
Detroit, MI 48226  
*Attention: Corporation Counsel*

If to DEVELOPER: 3750 Woodward Avenue, LLC  
4000 Town Center, Suite 700  
Southfield, MI 48075  
Attention: Tami Hunt

Either Party to this Provision may change its address and/or point of contact for the receipt of Notices at any time by giving written Notice thereof to the other Party in accordance with this Section.

## Section 14: Miscellaneous Terms.

**A. Independent Parties; Effect of Agreement.** Each Party acknowledges that the CITY and the DEVELOPER are independent of each other and do not intend, as a result of this

Provision or otherwise, to become a joint venture, partners, employees, servants, agents, representatives, contractors, or any type of related business entities to one another with respect to the subject matter of this Provision. DEVELOPER and CITY acknowledge and agree that this Provision, and the performance of the obligations hereunder, is intended to satisfy the obligations of the Ordinance and the CBO Process.

- B. Assignment.** This Provision sets forth DEVELOPER's intended activities to address impacts on the community by the Project in accordance with the Ordinance. The DEVELOPER may not delegate or assign this Provision, or any portion thereof, either voluntarily or involuntarily, or by operation of law.
- C. Force Majeure.** In the event of enforced delay in the DEVELOPER's performance of its obligations under this Provision due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, fires, floods, epidemics, or severe weather, the time for performance of such obligations shall be extended for the period of the enforced delays; provided that the DEVELOPER must within thirty (30) days after the beginning of such enforced delay, have first notified the CITY in writing of the causes thereof and requested an extension for the period of the enforced delay. In the event that there is any dispute as to what constitutes such *force majeure* event, the determination of the CITY will control.
- D. Choice of Law and Venue.** The Parties acknowledge that this Provision will be governed by the laws of the State of Michigan, excluding its choice of laws rules. Any legal suit, action or proceeding arising out of this Provision will be instituted in the federal courts of the United States of America or the courts of the State of Michigan, in each case located in the City of Detroit and County of Wayne, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.
- E. Severability.** In the event that any provision in this Provision is found by a court to be impermissible or illegal, then that provision shall be stricken from the Provision and shall be replaced by a provision that is permissible and legal and by mutual agreement of the Parties comes closest to expressing the intent of the stricken provision. The remainder of the Provision shall remain in full force and effect in accordance with its original overall intent.
- F. Counterparts.** This Provision may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one document. Each counterpart may be executed by facsimile or electronic signature, which will be deemed to be an original signature, to the extent permitted by Applicable Law.
- G. Authority of City.** Notwithstanding anything in this Provision or otherwise to the contrary, the CITY is not authorized or obligated to perform any of its obligations pursuant to this Provision until this Provision has been fully executed by the duly authorized representative of the CITY (if necessary, pursuant to the resolution of the Detroit City Council as approved by the Mayor of the City of Detroit), and has been

approved by the City of Detroit Law Department. Any amendments or modifications must likewise be duly signed (if necessary, authorized by resolution of the City Council and approved by the Mayor), and must be approved by the Law Department, to be enforceable against the CITY.

**IN WITNESS WHEREOF**, the Parties have executed this Provision as of the dates shown below, to be effective as of the Effective Date.

**CITY OF DETROIT,**  
a Michigan municipal corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**DEVELOPER** 3750 Woodward Avenue, LLC

By: \_\_\_\_\_

Name: Mohammad Qazi

Its: Manager

Date: 07/15/19

Approved by Corporation Counsel pursuant to  
§7.5-206 of the 2012 Charter of the City of Detroit.

Corporation Counsel \_\_\_\_\_

## EXHIBIT A

### **DEVELOPER'S COMMITMENTS**

**(The Mid)**

DEVELOPER hereby agrees to the following with respect to the Project:

#### **I. DURING CONSTRUCTION**

DEVELOPER agrees to the following with respect to the construction period of the Project:

##### **1. Impact – Sidewalk Closures**

- A. DEVELOPER will comply with the American with Disabilities Act.
- B. Due to safety concerns, DEVELOPER will not use sidewalk scaffolding.
- C. DEVELOPER will clearly mark all alternative paths around sidewalk closures.
- D. DEVELOPER will work with MDOT or other appropriate governmental agencies to temporarily retime the pedestrian signal at Woodward and Parsons so that it gives pedestrians sufficient time to cross Woodward Avenue.

##### **2. Impact – Hours of Construction**

- A. DEVELOPER will limit construction hours to the period of 7am to 7pm.
- B. Other than in cases of emergency, DEVELOPER will provide 48 hours advance notice to the public of any Saturday or Sunday work.
- C. DEVELOPER commits that work will rarely, if ever, be conducted on Sundays.

##### **3. Impact – Dust Control**

- A. DEVELOPER will be responsible for any construction or demolition related damage for which it is liable.
- B. DEVELOPER will work with the following five (5) neighboring properties: The Plaza Midtown, The Ellington, Bicentennial Tower, McLaughlin Hall and Max M. and Marjorie S. Fisher Music Center to contribute to their window cleaning expense. Assuming mutual agreement, DEVELOPER shall contribute up to \$18,000 for each of the identified neighboring properties (to be adjusted based on actual square footage).

#### **4. Impact – Pest Control**

- A. DEVELOPER will implement a pest control plan prior to the start of construction that will remain in place throughout construction.
- B. DEVELOPER will share such pest control plan with the NAC prior to construction start.

#### **5. Impact - Lighting**

- A. DEVELOPER will direct all lighting inwards. DEVELOPER will utilize special purpose lenses and deflectors in order to minimize light pollution.

#### **6. Impact - Construction Traffic**

- A. DEVELOPER will coordinate with the CITY to review and adjust the construction traffic and staging as necessary.
- B. DEVELOPER will review the construction site logistics plan with the CITY prior to construction start.
- C. DEVELOPER acknowledges that the Project plans do not require use of any parking spaces beyond those fronting the Project site.

## **II. AFTER CONSTRUCTION**

DEVELOPER agrees to the following with respect to the design of the Project and post-construction period commitments of the Project:

#### **1. Impact – Valet Queuing**

- A. DEVELOPER shall design and construct the valet area such that vehicle queuing will be positioned internal to the Project site.
- B. DEVELOPER will adhere to the Property plan presented to the CITY on 06-04-2019 with respect to valet queuing.

#### **2. Impact – Retail Intake List**

- A. DEVELOPER will designate a minimum of 12,000 square feet of the available 80,000 square feet of retail space for local and small businesses.
- B. DEVELOPER will maintain its own list of potential retail tenants, however DEVELOPER will also request the NAC's assistance in soliciting and compiling retail tenant suggestions.
- C. DEVELOPER will give Detroit resident owned businesses priority with respect to lease of retail space at the Project.

### **3. Impact – Concept Design**

- A. DEVELOPER will adhere to design guidelines required by the CITY's Planning & Development Department and the City Planning Commission.
- B. DEVELOPER will notify the NAC of each site plan review submission.

### **4. Impact – Public Space**

- A. DEVELOPER will see that the public space for the Project is well lit and has adequate seating.
- B. DEVELOPER work with the CITY to create a pet relief area within the Project's public space to the north of the Project site. This will also address concerns regarding the pedestrian walkway.
- C. DEVELOPER will consider use of historic street names.
- D. DEVELOPER will work to deliver a Project design that is inspiring and welcoming. DEVELOPER will see that the Project has outstanding public spaces, including areas for dogs.
- E. DEVELOPER will see that the Project has a pet relief area that includes a dedicated dog park with a lighted and fenced in area. DEVELOPER will work with the CITY to create the dog park within the public space in the northwest quadrant of the Project site. This will also address concerns regarding the pedestrian walkway.

###

**EXHIBIT B**

THE MID  
COMMUNITY BENEFITS AGREEMENT REPORT

[SEE ATTACHED]



# THE MID COMMUNITY BENEFITS REPORT

CITY OF DETROIT  
PLANNING AND DEVELOPMENT DEPARTMENT  
Maurice Cox, Director of Planning

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A	Notice Of Public Meeting And Impact Area
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C	Project Impacts / Request From NAC
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	<b>APPENDIX</b>
1	Community Benefits Ordinance No. 35-16
2	Public Meeting Notice & Flier
3	Meeting Schedule
4	Meeting Recaps
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# **SECTION A.**

## **NOTICE OF PUBLIC MEETING AND IMPACT AREA**

## A. NOTICE OF PUBLIC MEETING AND IMPACT AREA

The first Community Benefits Meeting for The Mid project was held on **Tuesday, April 16, 2019 from 6:00 to 7:30pm**, The Cathedral Church of St Paul, 4800 Woodward Avenue, Detroit, MI, 48201.

The *Public Notice* of the first meeting was mailed out to approximately 2,000 residents within the Impact Area (see Figure 1: Impact Area Map). The Impact Area includes Census Tract 5203, 5175, 5173, and 5225, and is bordered by Warren Avenue, I-375, 2<sup>nd</sup> Avenue, and Temple St, Edmund Place, and Wilkins Street. The project is located at 3750 Woodward Avenue. Forty-three (43) people were recorded as attending the first meeting. The full public notice, pictured below, has been attached to this document under Appendix 2.

**IMPORTANT NOTICE**

YOUR ADDRESS IS LOCATED WITHIN THIS DESIGNATED NOTICE AREA  
OF THE 3750 WOODWARD DEVELOPMENT PROJECT  
PLEASE OPEN THIS MAILER FOR DETAILS

**LEGAL MEETING NOTICE TO RESIDENTS LIVING WITHIN NOTICE AREA**

**"THE MID"**  
3750 WOODWARD DEVELOPMENT  
Community Benefits Public Meeting

**Date and Time:**  
Tuesday  
April 16, 2019  
6:00 PM - 7:30 PM

**Location:**  
The Cathedral Church of St. Paul  
4800 Woodward Ave  
Detroit, MI 48201

**General Project Information**

Inspired by Midtown's music, art, history, and culture, "The Mid" will be a new development in Midtown Detroit. The 3.8 acre mixed-use development has been carefully planned to offer diverse programs, including up to 100,000 sf of retail space, a 225-key boutique hotel by an award-winning hospitality brand, hundreds of multi-family residences, affordable housing, co-living housing units, and 60 condos to accommodate Detroit's rapidly growing demand for diverse housing and living types in a meaningful way. The Mid's planned investment exceeds \$250 million, and will create over 1,800 construction jobs and 400+ full-time equivalent positions (FTEs).

The Mid will incorporate retail of various selections from boutique neighborhood retailers to a grocer, catering both to the Midtown community as well as the residents and patrons within the development. Dining experiences will be interwoven with public spaces for community, resident, and visitor engagement and connectivity. The development aims to unite the surrounding community and residents across a range of backgrounds and lifestyles.

*Continued on next page*

**Potential Impacts**

The NAC will work directly with the developer and establish community benefits, which are included in the final development agreement approved by the Detroit City Council. The City of Detroit is aware of and acknowledges expressed community concerns related to this project in the following areas:

**A. Construction**

- Noise and dust
- Street closures
- Sidewalk closures
- Construction equipment staging
- Construction hours

**B. Vehicular Traffic**

- Site connectivity
- Traffic flow
- Vehicular access through site

**C. Jobs**

- Jobs created
- Access to jobs

**Please read this important notice for information about community benefits and other impacts that may affect you.**

For more information, visit:  
**www.detroitmi.gov/cbo**

The Planning and Development Department hosts a CBO website ([www.detroitmi.gov/cbo](http://www.detroitmi.gov/cbo)) and posted the Mid Community Benefits Meeting dates. The mailing notice was also posted at this site. Notice was sent to the representatives of the City Council, LPD, and the DON. In addition, all presentations and project materials are available to the public on this website.



Figure 1: Impact Area

## **Section B.**

**NEIGHBORHOOD ADVISORY COUNCIL  
DEVELOPER  
CITY OFFICIALS**

## **B. Neighborhood Advisory Council (NAC)**

<u>Neighborhood Advisory Council Member</u>	<u>Appointment by:</u>
Bernice Smith	Impact Area Resident Selection
Elliot Broom	Impact Area Resident Selection
Chris Jackson	PDD Dir. Maurice Cox
Mike Essian	PDD Dir. Maurice Cox
James Harrigan	PDD Dir. Maurice Cox
Melissa Corrigan	PDD Dir. Maurice Cox
Cynthia Redmond	District 5 Council Member Sheffield
Michael Boettcher	Council Member At-Large Janeé Ayers
Deidra Anderson	Council President Brenda Jones

### The Mid Team

- Emery Matthews, Managing Principal, Real Estate Interests, LLC

### City of Detroit Officials

**Planning and Development:** Maurice D. Cox, Karen Gage, Julio Cedano

**Department of Neighborhoods:** Vince Keenan

**Legislative Policy Division Representative (CPC):** Marcell Todd, Kimani Jeffrey

**City Council:** Mary Sheffield Councilperson for District 5, Janeé Ayers – At-Large Councilperson, Brenda Jones – Council President

### Detroit Economic Development Corporation

**Executive Vice President:** Kenyetta Hairston-Bridges, Nevan Shokar

# **Section C.**

**PROJECT IMPACTS / REQUEST FROM NAC**

## The MID Impact List

Submitted May 31, 2019

### Impacts and Requested Actions

#### DURING CONSTRUCTION

Impact	Requested Actions
Sidewalk Closures	<ol style="list-style-type: none"><li>1. Any and all changes, temporary or otherwise, to adhere to the Americans with Disabilities Act</li><li>2. Scaffolding to be used when possible in efforts to limit the disruption of side walk traffic</li><li>3. Clearly marked path with signage to be posted when unavoidable sidewalk closures need to occur</li><li>4. If the sidewalk must be closed, we ask that the developer commit to working with MDOT (or, governing agency) to temporarily retime the ped signal at Woodward and Parsons so that it gives pedestrians sufficient time to cross busy Woodward Avenue.</li></ol>
Hours of Construction	<ol style="list-style-type: none"><li>1. Developer will sign a legally binding agreement with the P&amp;DD to restrict exterior construction working hours between 7:00 am – 7:00 pm on weekdays. Major noise-making activities (jack hammering, wrecking ball, drilling etc.) should not commence until 9:00 am on any day. If required, a maximum of two Saturdays can be worked per month and 48 hours public notice will be provided for Saturday work.</li><li>2. No Sunday exterior work is permitted.</li></ol>
Dust Control	<ol style="list-style-type: none"><li>1. Developer will accept liability for any damages to property caused by either construction or demolition</li><li>2. Developer will perform two additional window cleanings to for adjacent properties per year, per phase. Window cleanings to occur after excavation and after construction completion (of each phase).</li><li>3. Neighboring properties: The Plaza Midtown, The Ellington, Bicentennial Tower, McLaughlin Hall and Max M. and Marjorie S. Fisher Music Center</li></ol>
Pest Control	<ol style="list-style-type: none"><li>1. Developer will sign a legally binding agreement with the P&amp;DD agreeing to immediately implement a pest control program to mitigate this. The program should be in place until completion of construction.</li><li>2. The NAC should be notified of the company hired</li></ol>
Lighting	<ol style="list-style-type: none"><li>1. Construction lighting should not disturb residents in neighboring buildings</li></ol>

	<ol style="list-style-type: none"> <li>2. Lighting for security purposes should be shining inward towards the construction site</li> </ol>
Construction Traffic	<ol style="list-style-type: none"> <li>1. Developer to work with the city traffic engineers and to adjust the flow of construction traffic and staging, as necessary.</li> <li>2. Developer to only utilize Woodward Avenue parking spaces that are directly in front of The Mid.</li> <li>3. Public parking spaces along Woodward Avenue, that are north and south of The Mid, are to remain open to public use.</li> </ol>

## Impacts and Requested Actions

### AFTER CONSTRUCTION

Impact	Requested Actions
Valet Queuing	<ol style="list-style-type: none"> <li>1. Developer to consider the NAC's suggestion on the reconfiguration of the valet queue location</li> <li>2. Developer to present revised plan to the NAC</li> </ol>
Retail Intake List	<ol style="list-style-type: none"> <li>1. Developer to create an opportunity to receive retail tenant suggestions from the public</li> <li>2. Developer to designate a certain percentage of the retail space to local and minority owned businesses</li> </ol>
Concept Design	<ol style="list-style-type: none"> <li>1. Developer to adhere to the Main Street Overlay when constructing the Woodward Avenue retail</li> <li>2. NAC to receive notice when site plan review is submitted to the City</li> </ol>
Public Space	<ol style="list-style-type: none"> <li>1. The public space is to be well lit and have adequate seating</li> <li>2. The NAC strongly encourages the developer to build a dog park into their development public space plan as a benefit to neighboring residents, development residents and hotel guests. A "pet relief" area is not sufficient. Again, we strongly encourage the developer to build into their plan a <u>dedicated, lighted and fenced-in area</u> as a dedicated dog park. This will serve as a BENEFIT to the residents of the development, hotel guests and neighboring COMMUNITY. The dog park at the corner of Cass and Canfield is an excellent model that demonstrates the positive influence and vitality this kind of space brings to an area.</li> <li>3. Developer to work with the City and The Plaza to make improvements to the John R pedestrian walk way that are consistent with the green space/public space design of The Mid</li> <li>4. Developer to consider the use of the historic street names for the pass troughs</li> </ol>

## **Section D.**

### **APPROVED COMMUNITY BENEFITS PROPOSAL**

## Approved Community Benefits Proposal

# THE MID IMPACTS & REQUESTED ACTIONS

Submitted June 17, 2019

### Impacts and Requested Actions

#### DURING CONSTRUCTION

Impact	Requested Actions	Commitment from The Mid
Sidewalk Closures	<ol style="list-style-type: none"><li>1. Any and all changes, temporary or otherwise, to adhere to the Americans with Disabilities Act</li><li>2. Scaffolding to be used when possible in efforts to limit the disruption of sidewalk traffic</li><li>3. Clearly marked path with signage to be posted when unavoidable sidewalk closures need to occur</li><li>4. If the sidewalk must be closed, we ask that the developer commit to working with MDOT (or, governing agency) to temporarily retime the ped signal at Woodward and Parsons so that it gives pedestrians sufficient time to cross busy Woodward Avenue.</li></ol>	<ul style="list-style-type: none"><li>• The Mid will comply with the American With Disabilities Act</li><li>• Due to safety concerns, we won't be able to use sidewalk scaffolding.</li><li>• The alternative path will be clearly marked.</li><li>• Agreed. We will work with MDOT or other required governmental agency to temporarily retime the pedestrian signal at Woodward and Parsons so that it gives pedestrians sufficient time to cross Woodward Avenue.</li></ul>
Hours of Construction	<ol style="list-style-type: none"><li>1. Developer will sign a legally binding agreement with the P&amp;DD to restrict exterior construction working hours between 7:00 am – 7:00 pm on weekdays. Major noise-making activities (jack hammering, wrecking ball, drilling etc.) should not commence until 9:00 am on any day. If required, a maximum of two Saturdays can be worked per month and 48 hours public notice will be provided for Saturday work.</li><li>2. No Sunday exterior work is permitted.</li></ol>	<ul style="list-style-type: none"><li>• The ordinance permits work hours from 7am to 10pm. However, we will limit hours from 7am to 7pm.</li><li>• Other than emergencies, we will provide 48 hours' notice of any Saturday or Sunday work.</li><li>• Work is rarely, if ever, conducted on Sundays.</li></ul>

Dust Control	<ol style="list-style-type: none"> <li>Developer will accept liability for any damages to property caused by either construction or demolition.</li> <li>Developer will perform two additional window cleanings to for adjacent properties per year, per phase. Window cleanings to occur after excavation and after construction completion (of each phase).</li> <li>Neighboring properties: The Plaza Midtown, The Ellington, Bicentennial Tower, McLaughlin Hall and Max M. and Marjorie S. Fisher Music Center</li> </ol>	<ul style="list-style-type: none"> <li>Developer will be responsible for any construction or demolition related damage for which it is liable.</li> <li>The Mid will work with the five landlords to contribute to their window cleaning expense. Assuming mutual agreement, The Mid is prepared to contribute up to \$18,000 for each of the 5 identified neighboring buildings (to be adjusted based on actual square footage.).</li> </ul>
Pest Control	<ol style="list-style-type: none"> <li>Developer will sign a legally binding agreement with the P&amp;DD agreeing to immediately implement a pest control program to mitigate this. The program should be in place until completion of construction.</li> <li>The NAC should be notified of the company hired</li> </ol>	<ul style="list-style-type: none"> <li>The Mid will implement a Pest Control plan prior to the start of construction and will remain in place throughout construction.</li> <li>We will share the plan with the NAC prior to construction start.</li> </ul>
Lighting	<ol style="list-style-type: none"> <li>Construction lighting should not disturb residents in neighboring buildings</li> <li>Lighting for security purposes should be shining inward towards the construction site</li> </ol>	<ul style="list-style-type: none"> <li>Lighting will be directed inwards and special purpose lenses and deflectors will be used in order to minimize light pollution.</li> </ul>
Construction Traffic	<ol style="list-style-type: none"> <li>Developer to work with the city traffic engineers and to adjust the flow of construction traffic and staging, as necessary.</li> <li>Developer to only utilize Woodward Avenue parking spaces that are directly in front of The Mid.</li> <li>Public parking spaces along Woodward Avenue, that are north and south of The Mid, are to remain open to public use.</li> </ol>	<ul style="list-style-type: none"> <li>The Mid will coordinate with the City of Detroit to review and adjust the construction traffic and staging as necessary.</li> <li>We will review the construction site logistics plan with the City of Detroit prior to construction start.</li> <li>The plan does not require use of any parking spaces beyond those fronting the project site.</li> </ul>

## Impacts and Requested Actions

### AFTER CONSTRUCTION

Impact	Requested Actions	Commitment from The Mid
Valet Queuing	<ol style="list-style-type: none"> <li>Developer to consider the NAC's suggestion on the reconfiguration of the valet queue location.</li> <li>Developer to present revised plan to the NAC.</li> </ol>	<ul style="list-style-type: none"> <li>The valet area will be redesigned to position vehicle queuing internal to the site.</li> <li>Plan presented 6-4-2019.</li> </ul>
Retail Intake List	<ol style="list-style-type: none"> <li>Developer to create an opportunity to receive retail tenant suggestions from the public.</li> <li>Developer to designate a certain percentage of the retail space to local and minority owned businesses</li> </ol>	<ul style="list-style-type: none"> <li>The Mid will designate a minimum of 12,000 SF of the 80,000 SF for local and small businesses.</li> <li>We will maintain our own list but, but we also request the NAC's assistance in soliciting and compiling retail tenant suggestions.</li> <li>Detroit resident owned businesses will be given priority.</li> </ul>
Concept Design	<ol style="list-style-type: none"> <li>Developer to adhere to the Main Street Overlay when constructing the Woodward Avenue retail.</li> <li>NAC to receive notice when site plan review is submitted to the City</li> </ol>	<ul style="list-style-type: none"> <li>The MID will adhere to design guidelines required by the city of Detroit Planning &amp; Development Department and the City Planning Commission.</li> <li>We will notify the NAC with each site plan review submission.</li> </ul>
Public Space	<ol style="list-style-type: none"> <li>The public space is to be well lit and have adequate seating.</li> <li>The NAC strongly encourages the developer to build a dog park into their development public space plan as a benefit to neighboring residents, development residents and hotel guests. A "pet relief" area is not sufficient. Again, we strongly encourage the developer to build into their plan a <u>dedicated, lighted and fenced-in area</u> as a dedicated dog park. This will serve as a BENEFIT to the residents of the</li> </ol>	<ul style="list-style-type: none"> <li>The public space will be well lit and have adequate seating.</li> <li>The Mid will work with the City of Detroit to create a pet relief area within the public space to the north of the site. This will also address concerns regarding the pedestrian walkway.</li> <li>We will consider use of historic street names.</li> </ul>

	<p>development, hotel guests and neighboring COMMUNITY. The dog park at the corner of Cass and Canfield is an excellent model that demonstrates the positive influence and vitality this kind of space brings to an area.</p> <ol style="list-style-type: none"> <li>3. Developer to work with the City and The Plaza to make improvements to the John R pedestrian walk way that are consistent with the green space/public space design of The Mid.</li> <li>4. Developer to consider the use of the historic street names for the pass troughs</li> </ol>	<ul style="list-style-type: none"> <li>• Our goal is to deliver a project whose design is inspiring and welcoming. We will have outstanding public spaces, including areas for dogs.</li> <li>• We have modified our proposed pet relief area to create dedicated dog park with a lighted and fenced in area. The Mid will work with the City of Detroit to create the dog park within the public space in the northwest quadrant of the site. This will also address concerns regarding the pedestrian walkway. Please see the attached revised site plan for the new location.</li> </ul>
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# **Appendix 1.**

**COMMUNITY BENEFITS ORDINANCE NO. 35-16**

**NOTICE OF****ENACTMENT OF ORDINANCE**

To: THE PEOPLE OF DETROIT,  
MICHIGAN.

Through an initiative submitted by City Council resolution, the people of the City of Detroit adopted the following ordinance at the November 8, 2016 General Election:

**ORDINANCE NO. 35-16****CHAPTER 14.****COMMUNITY DEVELOPMENT****ARTICLE XII.****COMMUNITY BENEFITS**

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT THAT:

**Section 1.** Chapter 14 of the 1984 Detroit City Code, *Community Development*, is amended by adding Article XII, *Community Benefits*, which consists of Sections 14-12-1 through 14-12-5, to read as follows:

**CHAPTER 14.****COMMUNITY DEVELOPMENT****ARTICLE XII.****COMMUNITY BENEFITS****Sec. 14-12-1. Purpose; Title.**

(a) The City is committed to community outreach and engagement that promotes transparency and accountability and ensures development projects in the City of Detroit benefit and promote economic growth and prosperity for all residents.

(b) This article shall be known as the "Detroit Community Benefits Ordinance."

**Sec. 14-12-2. Definitions.**

*Community Benefits Provision* means the agreement made by and between the Planning Director and the Developer which specifically addresses the issues raised by the NAC.

*Enforcement Committee* means a committee led by the City's Corporation Counsel and composed of representatives from the Planning and Development Department, Law Department, Human Rights Department, and other relevant City departments as determined by the Planning Director.

*Impact Area* means an area determined by the Planning Director that includes all census tracts or census block groups in which the Tier 1 Project is located, and any other areas as determined by the Planning Director.

*NAC* means the Neighborhood Advisory Council.

*Planning Director* means the Director of the City of Detroit's Planning and Development Department, or a member of the Planning Director's staff working on behalf of the Planning Director.

*Tier 1 Development Project* means a development project in the City that is expected to incur the investment of Seventy-five Million Dollars (\$75,000,000) or more during the construction of facilities, or to begin or expand operations or renovate structures, where the developer of the project is negotiating public support for investment in one or both of the following forms:

(1) Any transfer to the developer of City-owned land parcels that have a cumulative market value of One Million Dollars (\$1,000,000) or more (as determined by the City Assessor or independent appraisal), without open bidding and priced below market rates (where allowed by law); or

(2) Provision or approval by the City of tax abatements or other tax breaks that abate more than One Million Dollars (\$1,000,000) of City taxes over the term of the abatement that inure directly to the Developer, but not including Neighborhood Enterprise Zone tax abatements.

*Tier 2 Development Project* means a development project in the City that does not qualify as a Tier 1 Project and is expected to incur the investment of Three Million Dollars (\$3,000,000) or more, during the construction of facilities, or to begin or expand operations or renovate structures, where the Developer is negotiating public support for investment in one or both of the following forms:

(1) Land transfers that have a cumulative market value of Three Hundred Thousand Dollars (\$300,000) or more (as determined by the City Assessor or independent appraisal), without open bidding and priced below market rates; or

(2) Tax abatements that abate more than Three Hundred Thousand Dollars (\$300,000) of City taxes over the term of the abatement that inure directly to the Developer, but not including Neighborhood Enterprise Zone tax abatements.

**Sec. 14-12-3. Tier 1 Projects.****(a) Community Engagement Process for Public Meeting.**

(1) Prior to submitting to City Council a request for approval of Land transfers or Tax abatements related to a Tier 1 Project, the Planning Director shall hold at least one public meeting in the Impact Area as defined in this Section.

(2) The City Clerk shall forward notice of the public meeting via First Class Mail no less than 10 days before such meeting to all City of Detroit residents within three hundred radial feet of the Tier 1 Project. The notice shall include:

- a. The time, date and location of the public meeting;
- b. General information about the Tier 1 Project;
- c. A description of the Impact Area and the location of the Tier 1 Project;
- d. Information related to potential impacts of the Tier 1 Project and possible mitigation strategies; and

(3) In addition to the notice requirement contained in Subsection (2) of this section, the Planning Director shall work with the District Council Member or Members representing the district or districts where the Tier 1 Project is located and at least one At-large Council Member to ensure that local residents, businesses, and organizations, especially those located in the Impact Area and those expected to be directly impacted by the Tier 1 project are informed of the public meeting.

(4) At the public meeting, the Planning Director will present general information about the Tier 1 Project, discuss ways in which the Tier 1 Project is anticipated to impact the local community, and ways in which the Developer and the Planning Director plan to address or mitigate these impacts.

(5) City Council shall appoint a liaison from the Legislative Policy Division to monitor the community engagement process and provide updates to the City Council.

(6) The Planning Director shall provide notice to the liaison of all upcoming meetings and activities associated with the community engagement process related to the Tier 1 Project.

**(b) Neighborhood Advisory Council.**

(1) The Planning Director will accept nominations to the NAC from any person that resides in the Impact Area.

(2) All residents over the age of 18 that reside in the Impact Area are eligible for nomination.

(3) The NAC shall consist of nine members, selected as follows:

a. Two Members selected by residents of the Impact Area chosen from the resident nominated candidates;

b. Four Members selected by the Planning Director from the resident nominated candidates, with preference given to individuals the Planning Director expects to be directly impacted by the Tier 1 Project;

c. One Member selected by the Council Member in whose district contains the largest portion of the Impact Area from the resident nominated candidates; and

d. One Member selected by the At-Large Council Members from the resident nominated candidates.

(4) If the Planning Director receives less than nine nominations, the Planning Director may seek out additional nominations from individuals that live outside the Impact Area but within the City Council district or districts where the Tier 1 Project is located.

(5) All actions of the NAC may be taken with the consent of a majority of NAC members serving.

**(c) Engagement with Developer.**

(1) In addition to the meeting required in Subsection (a)(1) of this section, the Planning Director shall facilitate at least one meeting between the NAC and the Developer to allow the NAC to learn more details about the project and to provide an opportunity for the NAC to make Developer aware of concerns raised by the NAC.

(2) City Council by a 2/3 vote of members present or the Planning Director may facilitate additional meetings which the Developer, or the Developer's designee, shall participate in as directed.

(3) As part of community engagement the developer, or their designee, shall be required to meet as directed.

**(d) Community Benefits Report.**

(1) The Planning Director shall provide a Community Benefits Report to City Council regarding the Tier 1 Project prior to the request for any approvals related to the Tier 1 Project.

(2) The Community Benefits Report shall contain:

a. A detailed account of how notice was provided to organize the public meeting.

b. A list of the NAC members, and how they were selected.

c. An itemized list of the concerns raised by the NAC.

d. A method for addressing each of the concerns raised by the NAC, or why a particular concern will not be addressed.

(3) The Planning Director, where possible, shall provide a copy of the Community Benefits Report to the NAC prior to submission to City Council.

(4) To ensure an expeditious community engagement process, the Planning Director, where possible, shall submit the initial Community Benefits Report within six weeks from the date the notice is sent of the public meeting.

(5) The Planning Director shall work with City Council to assure that, to the maximum extent possible, all of the approvals required of City Council may be considered simultaneously and subject to one approval vote.

(6) The Planning Director shall work with other City departments to facilitate that Tier 1 Projects receive expedited City-required approvals.

(e) *Development Agreement.*

(1) All development agreements made between the Developer and the City related to the land transfers or tax abatements associated with a Tier 1 Project shall include the Community Benefits Provision, which shall include:

a. Enforcement mechanisms for failure to adhere to Community Benefits Provision, that may include but are not limited to, clawback of City-provided benefits, revocation of land transfers or land sales, debarment provisions and proportionate penalties and fees; and

b. The procedure for community members to report violations of the Community Benefits Provision to the NAC.

c. The length of time that Annual Compliance Reports as outlined in Subsection (f)(2) of this section, are required to be submitted.

d. Continued community engagement or community meeting requirements.

(2) The Developer shall not be required to enter into a legally binding agreement with any individual or organization other than the City for the express purpose of fulfilling the requirements of this ordinance or other City-mandated community engagement processes.

(3) The Developer may voluntarily enter into any contract or agreement related to the Tier 1 Project that does not pose a conflict of interest with the City.

(f) *Enforcement.*

(1) An Enforcement Committee shall be established to monitor Tier 1 projects.

a. The Enforcement Committee shall be comprised of, at minimum, the following four individuals:

i. Corporation Counsel for the City of Detroit; or their designee;

ii. a representative from the Planning and Development Department;

iii. a representative from the Law Department;

iv. a representative from the Human Rights Department.

b. In addition to the members of the Enforcement Committee as identified in Subsection (1)a of this section, the Planning Director may require that other departments participate in the Enforcement Committee as needed.

(2) The Enforcement Committee shall provide a biannual compliance report to the City Council and the NAC for the time period identified in the Community Benefits Provision.

(3) The Planning Director shall facilitate at least one meeting per calendar year between the NAC and the Developer to discuss the status of the Tier 1 Project for the time period identified in the Community Benefits Provision.

(4) The NAC shall review any allegations of violations of the Community Benefits Provision provided to it by the community, and may report violations to the Enforcement Committee in writing.

(5) Upon receipt of written notification of allegations of violation from the NAC, the Enforcement Committee shall investigate such allegations and shall present their written findings to the NAC based upon the following:

a. Whether the Developer is in compliance with the Community Benefits Provision; and

b. How the Community Benefits Provision will be enforced or how violations will be mitigated.

(6) The findings of the Enforcement Committee shall be presented to the NAC no later than 21 days from the date the violations were reported to the Enforcement Committee, unless the need for additional time is reported to City Council and the NAC within the original 21 day time frame.

(7) If the NAC disagrees with the findings of the Enforcement Committee or determines that the Enforcement Committee is not diligently pursuing the enforcement or mitigation steps outlined in its findings, the NAC may send notice to the Enforcement Committee, and the Enforcement Committee shall have 14 days from receipt of notice to respond to the concerns outlined.

(8) If the NAC disagrees with the findings of the Enforcement Committee or determines that the Enforcement Committee is not diligently pursuing the enforcement or mitigation steps outlined in its findings, the NAC may send notice to the Enforcement Committee, and the Enforcement Committee shall have 14 days from receipt of notice to respond to the concerns outlined.

(9) If City Council elects to hold a hearing, or based upon the written information submitted, City Council shall determine whether the Enforcement Committee has made reasonable efforts to ensure that the Developer has complied with the Community Benefits Provision.

a. If City Council determines that the Enforcement Committee has made reasonable efforts, City Council shall notify the NAC and the Enforcement Committee of their findings.

b. If City Council finds that the Enforcement Committee has not made reasonable efforts, City Council shall make specific finding to the Enforcement Committee on the steps that need to be taken to comply with the Community Benefits Provision.

i. The Enforcement Committee shall provide City Council and the NAC monthly updates on compliance actions until City Council adopts a resolution declaring that the Developer is in compliance with the Community Benefits Provision or has taken adequate steps to mitigate violations.

ii. City Council may hold additional hearings related to enforcement of the Community Benefits Provision as needed.

**Sec. 14-12-4. Tier 2 Projects.**

(a) Developers shall:

(1) Partner with the City, and when appropriate, a workforce development agency to promote the hiring, training and employability of Detroit residents consistent with State and Federal Law.

(2) Partner with the Planning Director to address and mitigate negative impact that the Tier 2 Project may have on the community and local residents.

(b) The Developer's commitment as identified in Subsection (a) of this section shall be included in the development agreements related to any land transfers or tax abatements associated with the Tier 2 Project for which the Developer seeks approval.

**Section 14-12-5. Exemptions.**

The requirements of this ordinance may be waived by resolution of the City Council upon submission by either the Planning Director or the Developer identifying reasons that the requirements of this ordinance are impractical or infeasible and identifying how the Developer will otherwise provide community benefits.

**Section 2.** All ordinances, or parts of ordinances, that conflict with this ordinance are repealed.

**Section 3.** This ordinance is declared necessary for the preservation of the public peace, health, safety, and welfare of the People of the City of Detroit.

**Section 4.** The article added by this ordinance has been enacted as comprehensive local legislation. It is intended to be the sole and exclusive law regarding its subject matter, subject to provisions of state law.

(J.C.C. page ):

Passed:

Approved: November 8, 2016

Certified by the Board of

County Canvassers: November 22, 2016

Published: November 29, 2016

Effective: November 29, 2016

JANICE M. WINFREY

Detroit City Clerk

# **Appendix 2.**

## **LEGAL MEETING NOTICE AND PUBLIC MEETING FLYER**



Presorted Standard  
U.S. Postage  
PAID  
Permit No. 6067  
Detroit, MI

## Potential Impacts

The NAC will work directly with the developer and establish community benefits, which are included in the final development agreement approved by the Detroit City Council. The City of Detroit is aware of and acknowledges expressed community concerns related to this project in the following areas:

### A. Construction

- Noise and dust
- Street closures
- Sidewalk closures
- Construction equipment staging
- Construction hours

## LEGAL MEETING NOTICE TO RESIDENTS LIVING WITHIN NOTICE AREA

YOUR ADDRESS IS LOCATED WITHIN THE DESIGNATED NOTICE AREA  
OF THE 3750 WOODWARD AVENUE DEVELOPMENT PROJECT  
PLEASE OPEN THIS MAILER FOR DETAILS

### IMPORTANT NOTICE

**“THE MID”**  
**3750 WOODWARD DEVELOPMENT**  
Community Benefits Public Meeting

**Date and Time:**  
Tuesday  
April 16, 2019  
6:00 PM - 7:30 PM

**Location:**  
The Cathedral Church of St. Paul  
4800 Woodward Ave.  
Detroit, MI 48201

### General Project Information

Inspired by Midtown's music, art, history, and culture, “The Mid” will be a new development in Midtown Detroit. The 3.8 acre mixed-use development has been carefully planned to offer diverse programs, including up to 100,000 sf of retail space, a 225-key boutique hotel by an award-winning hospitality brand, hundreds of multi-family residences, affordable housing, co-living housing units, and 60 condos to accommodate Detroit's rapidly growing demand for diverse housing and living types in a meaningful way. The Mid's planned investment exceeds \$250 million, and will create over 1,800 construction jobs and 400+ full-time equivalent positions (FTEs).

The Mid will incorporate retail of various selections from boutique neighborhood retailers to a grocer, catering both to the Midtown community as well as the residents and patrons within the development. Dining experiences will be interwoven with public spaces for community, resident, and visitor engagement and connectivity. The development aims to unite the surrounding community and residents across a range of backgrounds and lifestyles.

Please read this important notice for information about community benefits and other impacts that may affect you.

for more information, visit:

**[www.detroitmi.gov/cbo](http://www.detroitmi.gov/cbo)**

*Continued on next page*



#### NOTICE AREA

The project notice area is located in Midtown Detroit. It is bound by Warren Avenue on the North, I-375 on the East, Wilkins Street, Edmund Place, and Temple Street on the West. Census Tracts 5203, 5175, 5173, and 5225 fall within the notice area.



## Community Benefits Public Meeting

**Tuesday  
April 16, 2019  
6:00 PM - 7:30 PM**

**The Cathedral  
Church of St. Paul  
4800 Woodward Ave.  
Detroit, MI 48201**

#### What is a Community Benefits Ordinance?

The Community Benefits Ordinance (CBO) (ORDINANCE NO. 35-16) is a law that requires developers to proactively engage with the community to identify community benefits and address potential impacts of certain development projects. The ordinance was approved by Detroit voters in 2016.

As per the Community Benefits Ordinance (CBO), a nine (9) member Neighborhood Advisory Council (NAC) will be established for this community benefits process. Any Detroit resident who lives in the Notice Area and is over the age of 18 is eligible to serve on the Neighborhood Advisory Council. The Notice Area (see map on the right) was determined by the Planning & Development Department.

Attend this meeting to learn more about this project and how you can participate in this public process.

for more information, visit:  
**www.detroitmi.gov/cbo**

With advance notice of seven calendar days, the City of Detroit will provide interpreter services at public meetings, including language translation and reasonable ADA accommodations. Please contact the Civil Rights, Inclusion and Opportunity Department at 313-224-4550, through the TTY number 711, or email [crio@detroitmi.gov](mailto:crio@detroitmi.gov) to schedule these services.

# **Appendix 3.**

## **NAC MEETING SCHEDULE**

# CBO SCHEDULE

\*Please note that this schedule might change.  
Updates will be provided to any changes as we progress.

The Mid (3750 Woodward) CBO SCHEDULE						
Meetings	April			May		
	WK 2	WK 3	WK 4	WK 1	WK 2	WK 3
<b>Deadline: Mail-by Date</b>	<b>3-Apr</b>					
Meeting 1 - Introduction to CBO						
Meeting 2 - NAC Selection (2 members selected by the public)		<b>16-Apr</b>				
<b>Bye Week - City Selection Week</b>						
Meeting 3 - Developer Project Presentation to NAC						
<b>Bye Week - NAC Prepares Project Impacts &amp; Community Benefits</b>				<b>7-May</b>		
Meeting 4 - NAC Presents Project Impacts & Community Benefits					<b>No Mtg</b>	
<b>Bye Week - Developer Prepares Responses for NAC</b>						<b>23-May</b>
Meeting 5 - Developer Presents Responses to Community Benefits						<b>No Mtg</b>
<b>Bye Week - NAC Prepares Letter of Consensus by June 11</b>						<b>4-Jun</b>
Meeting 6 - TBD						<b>18-Jun</b>

# **Appendix 4.**

## **MEETING NOTES**

## **The MID CBO Meeting #1**

**4/16/2019**

- PDD introduced the meeting
- PDD presented introduction to CBO process presentation
  - Publics questions were taken and answered by PDD and Vince Keenan
- Developer presented a brief presentation on the project
  - Developer took and responded to public questions
- PDD presented next steps

## **The MID CBO Meeting #2**

**4/23/2019**

- PDD introduced the meeting
- PDD presented introduction to CBO process presentation
  - Publics questions were taken and answered by PDD and Vince Keenan
- NAC selection process began
  - Interested residents publicly presented their argument for being part of the NAC
  - Residents voted on the nominees that were present
  - Votes were collected and tallied by council staff, Vince Keenan, Mayor's office staff, and PDD staff
- While votes were being tallied developer presented a brief presentation on the project
  - Developer took and responded to public questions
- Resident selected NAC members were announced
  - Bernice Smith
  - Elliot Broom
- PDD presented next steps

## **The MID CBO Meeting #3**

**5/7/2019**

Deidra Anderson – Arrived 45 minutes late

Chris Jackson and Cynthia Redmond – Absent

- PDD introduced the meeting
- DEGC presented benefits and incentives package presentation
  - Nevan presented on CRE and NEZ incentives
  - Jennifer presented on Brownfield TIF
- PDD highlighted schedule change for Meeting 4 May 21 to May 23
  - NAC in agreement of meeting change
- Questions from the NAC on Incentives presentation were answered by DEGC
- Developer presents on the project
  - Questions from the NAC on the project were answered by development team.

- Meeting was opened to public comment
- PDD presented Next Steps and closed the meeting

### The MID CBO Meeting #4

5/23/2019

Cynthia Redmond-absent

- NAC Identified impacts
  - How to handle dust and dirt?
    - 2 contractors focusing on it. Brownfield plan in place. BSEED focusing on it. They will present how to deal with it
  - Adjacent properties worried about pest stir up
    - Same response as dust
  - Lighting and how it affects plaza and alley. Security? How are residents protected?
    - Same response as dust
  - What are the work hours going to be?
    - Absolutely no extended stay. City won't allow it. Hours will ebb and flow but within 7am-7pm. Can't afford city ordinance
  - Want sidewalk to remain open hopefully, minus a few days
    - Tight urban design (building to lot line). Need construction space and can't create second walkway in Woodward b/c q line. Parking lane? Troy says lane is needed for truck staging for construction site during operations. Maybe on John R side instead? "Most difficult worry to address"
  - Traffic changes (adding lanes on John R or Woodward?)
  - Window cleaning for adjacent buildings (Plaza, Ellington, Whole Foods)
    - Will start to think about. Negotiations with owners of adjacent properties
  - Valet queue
    - Don't want to block traffic during events. Thinking of shifting lobby of hotel to east side of building. 65 ft. further east, valet would be internal. Hotel would still be on Northside, turning off Woodward, entrance would be same
  - Commercial vendor intake list, market driven but also community suggestions? How to get businesses in contact w/ developer
    - Already being addressed
  - Want dog park (others are overpopulated and there will be more residents). Market is demanding Dog Park. If there's green space, dogs will be there anyway
    - Private dog parks will clean up after your dog. Who would clean up community Dog Park?
  - Street facing retail design. How will each vendor fit into the space and in with the city? "A Best Buy won't add to the city"

- Don't want to add more layers of approvals. There's also new renderings for design. There will be design elements. A challenging piece.
- Unpredictable. Lots of parties need to agree. "Committee can't have veto right"
- Questions from public
  - Throughway for cars. In the 1900s there were 3: Brady, Terrace, and Martin Place. Name them the historic names?
    - "No."-developer
  - How much from local taxes goes to project? Are you considering using taxpayer money for impact remediation? These could go to other better things (education, fire houses, transportation, necessary city services). This is a big private for wealthy people funded by poor people. Specific benefits for residents? Rent is already going up. The private developer should be funding, not the community.
    - Units are being reserved for affordable housing
    - Must add 500 jobs or no tax abatement is given to developers. It's being monitored
    - Taxes would stay the same either way. Developer gets tax benefits.
    - Not a profit sharing arrangement. "Community gets nothing"-NAC
  - These new buildings do not provide space for community meetings. That would be a great community benefit.

### **The MID CBO Meeting #5**

**6/04/2019**

Cynthia Redmond, James Harrigan, Bernice Smith - all absent.

- PDD welcomed and introduced the meeting.
- Emery Matthews presented the developers response.
- InForm Studio presented the revision of the site plan highlighting the change in Queuing and the design, inclusion, and improvements of the existing pedestrian public way that connects John r and Woodward ave.
- Vince Keenan presented enforcement and next steps.
- Public comments. Questions from the audience
  - Related to workforce housing
    - Emery response to question related to workforce housing and affordable housing.
  - Related to NAC impacts
    - Emery responses to questions.
  - Related to the NAC
- NAC decided to add more details to impact list and further communicate through email.

# **Appendix 5.**

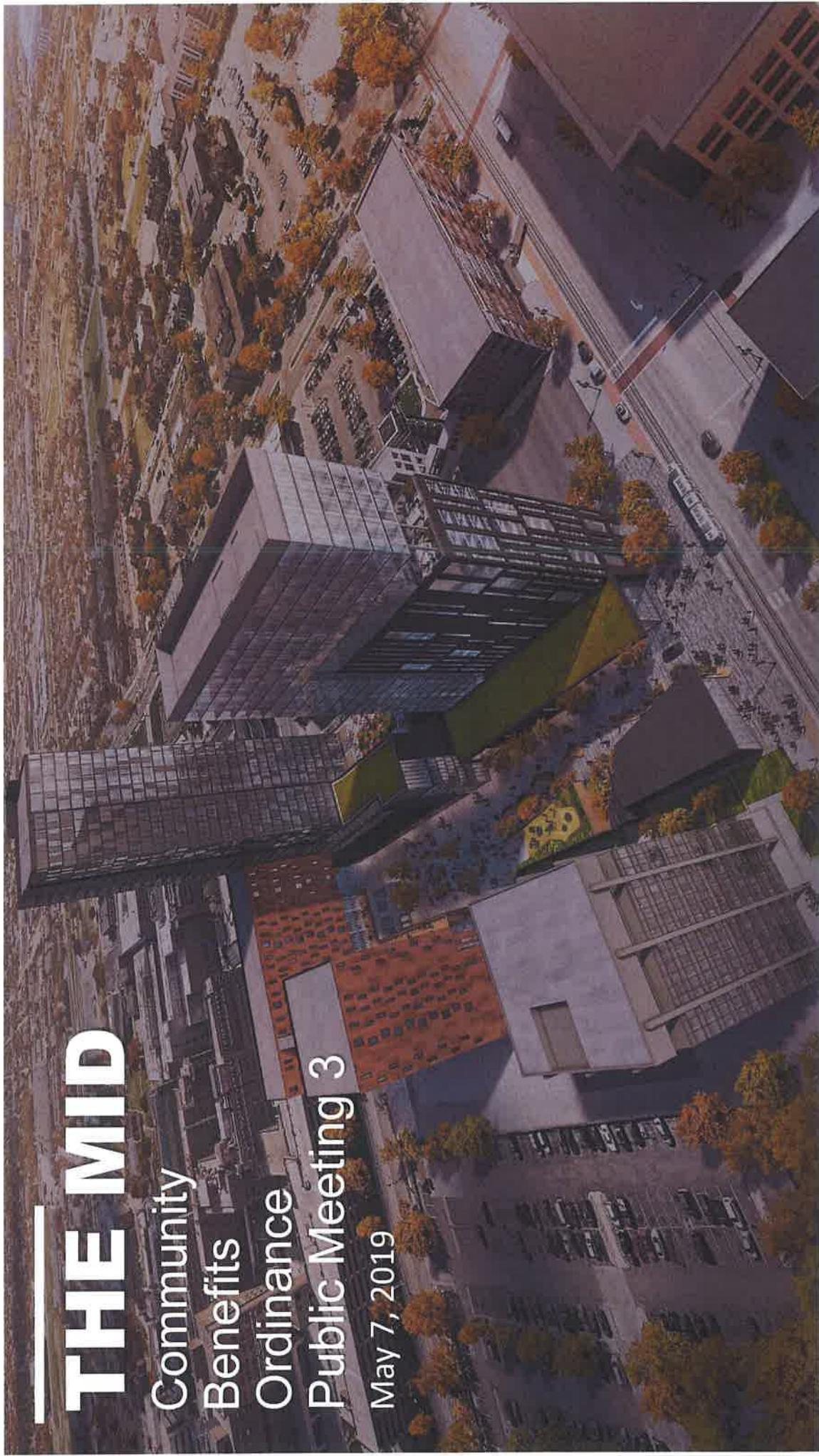
**SLIDES**

**COMMUNITY BENEFIT PUBLIC MEETING #3**  
**PRESENTATION**  
**PROJECT OVERVIEW**

# THE MID

Community  
Benefits  
Ordinance  
Public Meeting 3

May 7, 2019



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## Agenda

- **Introduction of the Neighborhood Advisory Council (NAC) + Expectations**
- **Overview of Economic Benefit of this Project from the DEGC**
- **Questions from the NAC**
- **The Mid Development Project Presentation + Developer & NAC Discussion**
- **Public Comment**

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## **The Mid NAC Members**

1. **Deidra Anderson**
2. **Elliot Broom**
3. **Michael Boettcher**
4. **Melissa Corrigan**
5. **Mike Essian**
6. **James Harrigan**
7. **Chris Jackson**
8. **Cynthia Redmond**
9. **Bernice Smith**

## Schedule

\*Please note that this schedule might change. Updates will be provided to any changes as we progress.

# THE MID

## Incentives Overview

May 7, 2019

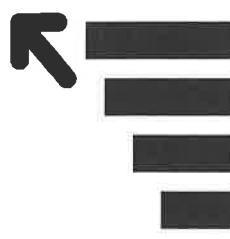


# Property Tax Abatements

General Eligibility Criteria

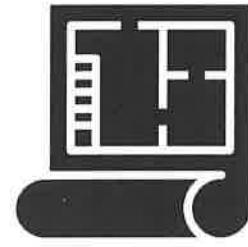
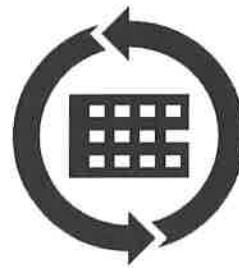


State Law allows  
developers the future  
increase in taxes for a  
certain period of time



**Business  
Expansion**

Rehabilitation of  
Blighted or  
Obsolete Building



New construction of  
commercial property  
on vacant land.

## Eligibility for Incentives

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### “But-For” Analysis

- Investment would not have occurred in Detroit without local commitments
- Create and/or retain jobs for Detroiters
- Represent an industry targeted by the City for job growth
- Brings other sources of investment (state or federal grants and loans)

### Economic Benefits

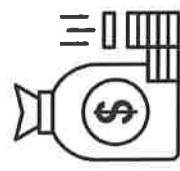
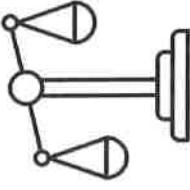
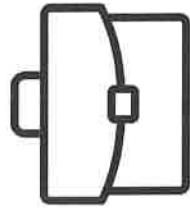
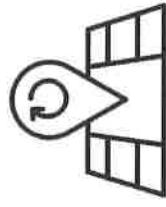
- Provides increase in tax revenues and a net gain over the incentive period
- Does not reduce existing taxes for any local jurisdiction
- Project is consistent with the city’s plans, corridor strategies, or strategic initiatives, including:
  1. Increased employment for Detroiters or blight elimination
  2. Local hiring and training programs for Detroit residents
  3. Local opportunities for Detroit-based businesses

### Fiscal Benefits

### Strategic Benefits

# DEGC Evaluation of The Mid

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## Activation of Vacant Land w/ Public Amenities

*Site has been  
vacant since  
September 2014*

## Job Attraction – 503 Direct Jobs

*Full-time employees  
to work in property  
management and  
retail*

## “But For” Test

*High construction and  
site remediation costs  
Underwriting  
demonstrated  
economic need*

## Net Benefit

**\$52M in net  
fiscal benefit to  
the City over  
30 years**

# The Mid Tax Abatements

Requested	Commercial Rehabilitation Exemption (PA 210)	Neighborhood Enterprise Zone (PA 147)
Benefit	Provides an exemption on the value of the improvements.	Provides a discounted millage rate on the value of the improvements.
Length of Time	Up to 10 Years	Up to 15 Years

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## Summary of Tax Abatements

Requested Abatements	Estimated Abated Taxes Detroit	All Jurisdictions	Time Period
CRE (PA 210)	\$12M	\$24M	10 Yrs
NEZ (PA 147)	\$1.5M	\$3M	15 Yrs
<b>TOTAL</b>	<b>\$13.5M</b>	<b>\$27M</b>	
<b>\$52M</b>		<b>30 Year Analysis</b>	
<b>NET FISCAL BENEFIT TO THE CITY</b>			

## City of Detroit Net Benefit Breakdown\*

Costs	\$16M
Services (Fire, Police, Etc.)	\$16M
Utilities	\$3M
Tax Abatement	\$13.5M
Brownfield TIF	\$20M
<b>Total Costs</b>	<b>\$52M</b>

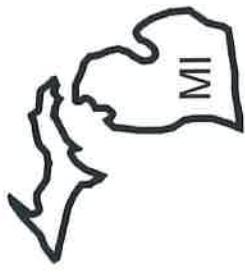
  

Revenues	\$104M
Property Taxes	\$48M
Income Taxes	\$27M
Utilities	\$5.5M
State Shared Sales Tax	\$9.5M
Permits, Fees, Misc	\$14M
<b>Total Revenues</b>	<b>\$104M</b>

### \* DEGC Estimates

## Brownfield Act

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In 1996, Act 381 of the State of Michigan allowed a “Qualified Local Governmental Unit” to establish a Brownfield Redevelopment Authority (BRA)

Detroit is a Qualified Local Governmental Unit

In 1998 The Detroit Brownfield Redevelopment Authority (DBRA) was established



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## Eligibility for Brownfield



### Facility

A property formally recognized as contaminated per the Natural Resources & Environmental Protection Act (NREPA), Michigan PA 451 of 1994



### Historic Resource

A property located in a City, State and/or Federal Historic District



### Functionally Obsolete / Blighted

Must also be accompanied by written confirmation from City Assessor



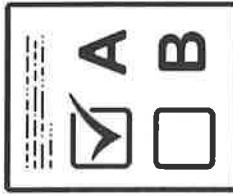
### Adjacency

Parcels directly adjacent to an eligible property

Public nuisance, utilities removed/destroyed, tax reverted, buried subsurface demolition material

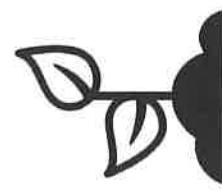
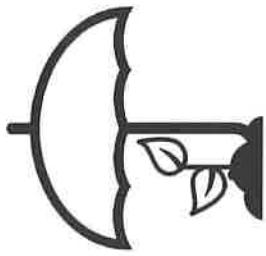
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## Eligible Environmental Brownfield Costs



Environmental  
Testing & Reporting

Environmental  
Insurance



Removal &  
Remediation of  
Contamination

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## Eligible Non-Environmental Brownfield Costs

- Demolition – interior, exterior & site
- **Lead, asbestos and mold abatement**
- **Infrastructure improvements in public right of way**  
*bike paths, curb & gutter, landscaping, lighting, parks, roads, public rail lines, marinas, sidewalks, sanitary main, signage, storm sewer, water main*
- **Site preparation**
  - Staking for eligible costs
  - Clearing & grubbing
  - Temporary construction access & roads
  - Temporary traffic control
  - Temporary erosion control
  - Temporary site control – fencing, lighting & signs

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## Timeline

Community Benefits Process (In process & ongoing)

City Council Planning and Economic Development Meeting

- Public Hearings for NEZ/PA 2110/Brownfield: **Thursday June 20, 2019**
- **District on June 20, 2019**
- Certificate date TBD

DBRA Board Meeting: **May 8<sup>th</sup>**

DBRA Public Hearing: **Week of May 13<sup>th</sup>**

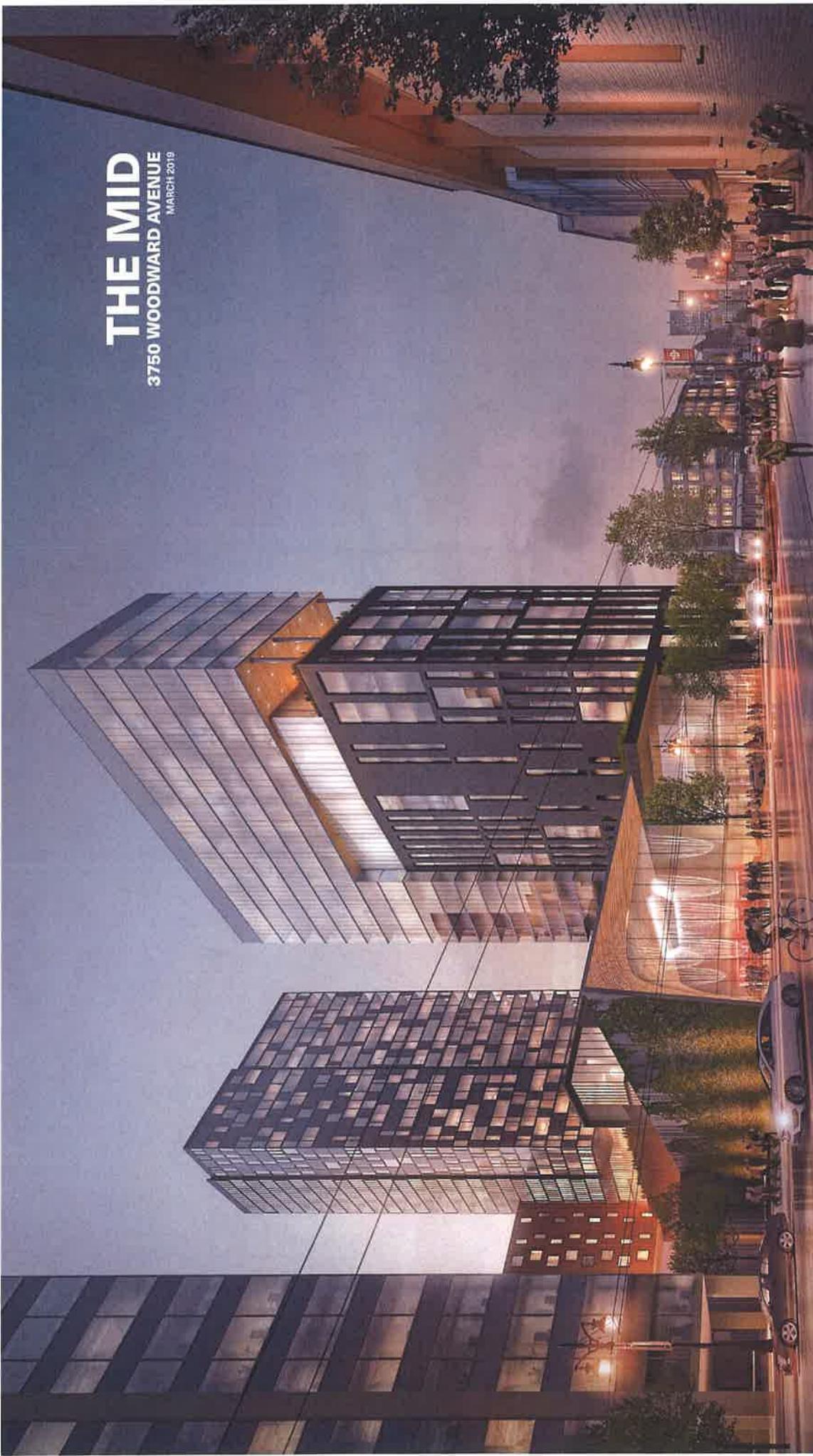
Michigan Strategic Fund Hearing for Brownfield: **July 23, 2019**

Q + A

# THE MID

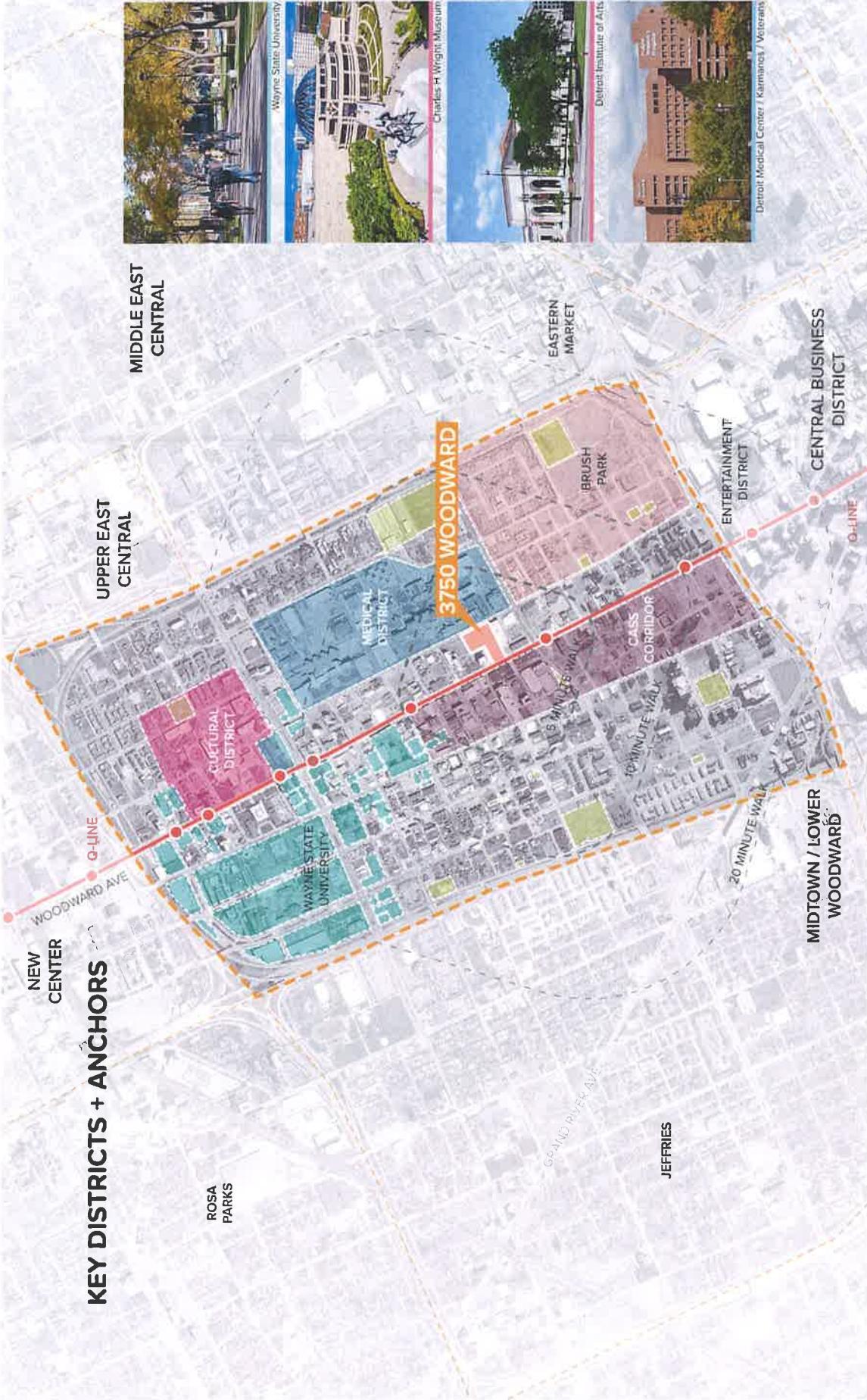
3750 WOODWARD AVENUE

MARCH 2019



<p>INTRODUCE DESIGN FOR ACTIVATION</p> <p>INTRODUCE MULTI-SEASONAL PUBLIC SPACE</p> <p>STRENGTHEN MIDTOWN RETAIL ENVIRONMENT</p> <p>LINK URBAN ECOSYSTEMS</p>	  
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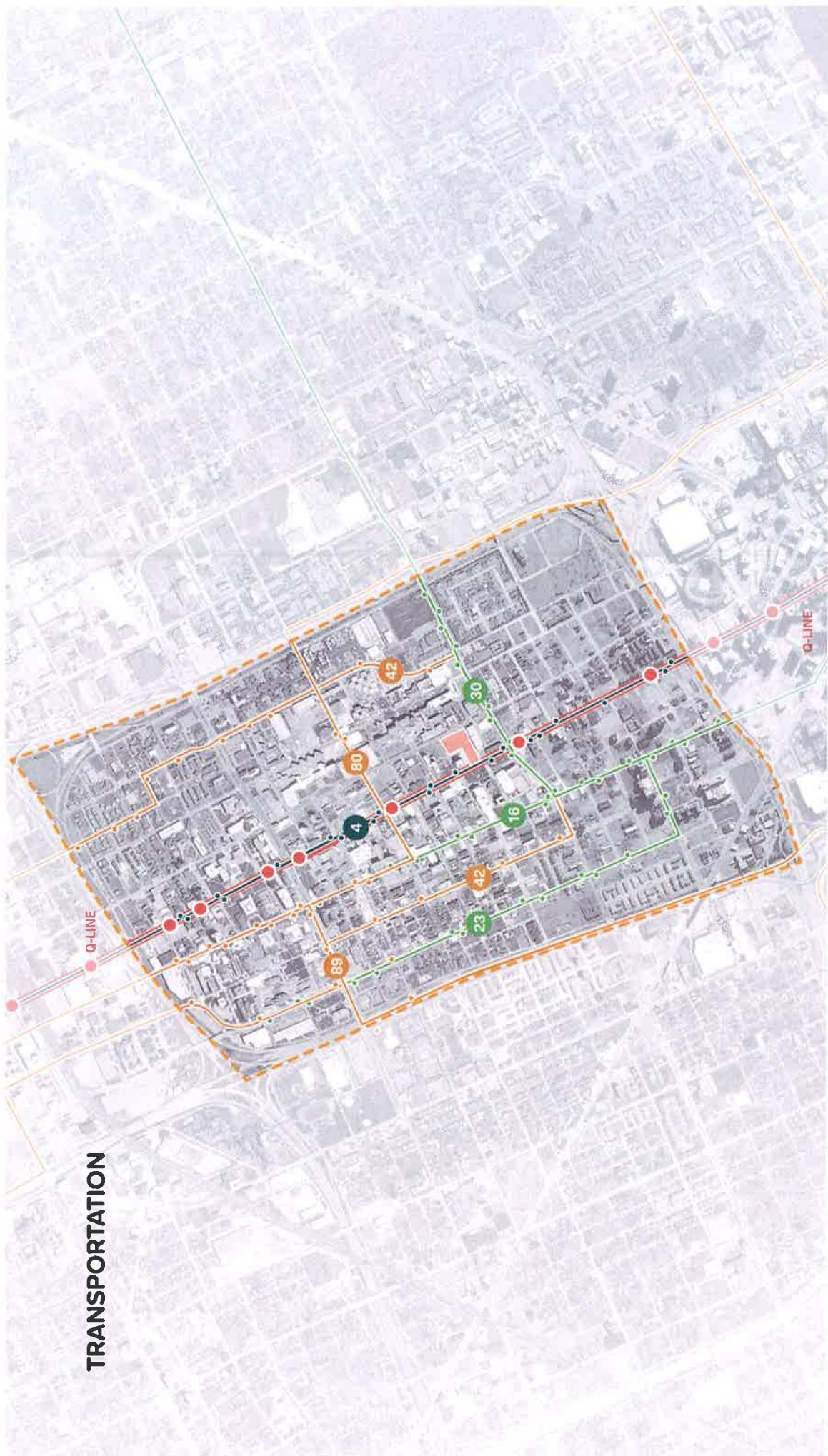
## KEY DISTRICTS + ANCHORS



## TRAFFIC + BOUNDARIES

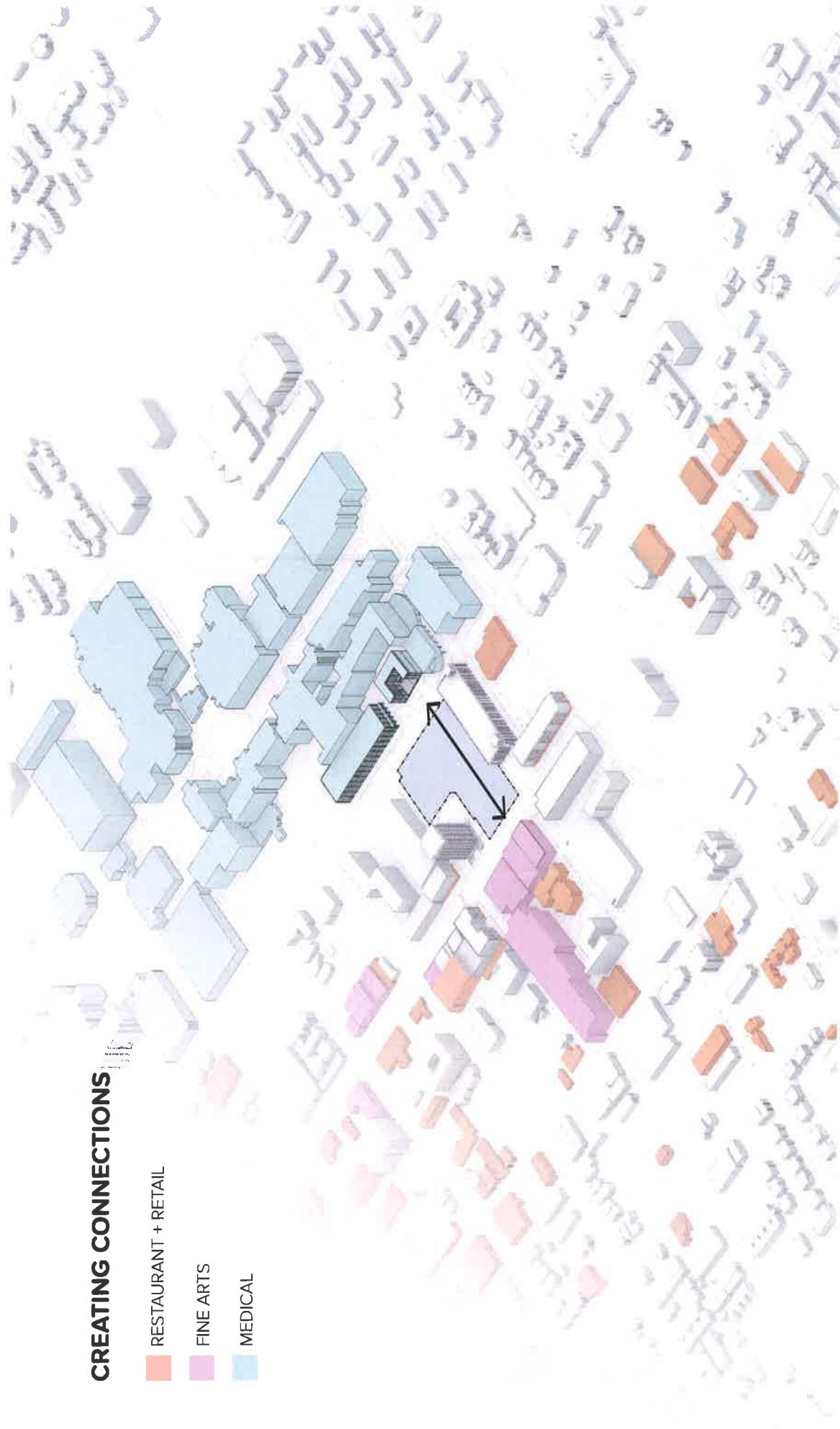


## TRANSPORTATION

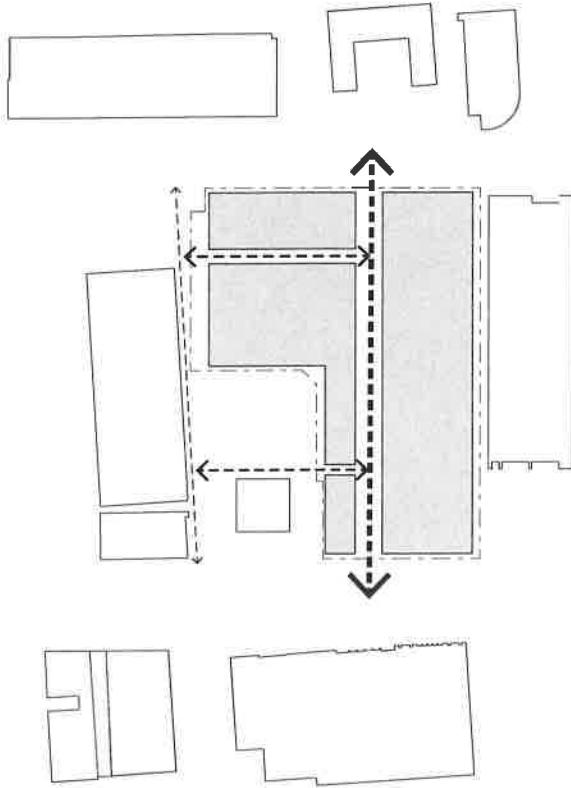


## CREATING CONNECTIONS

- RESTAURANT + RETAIL
- FINE ARTS
- MEDICAL



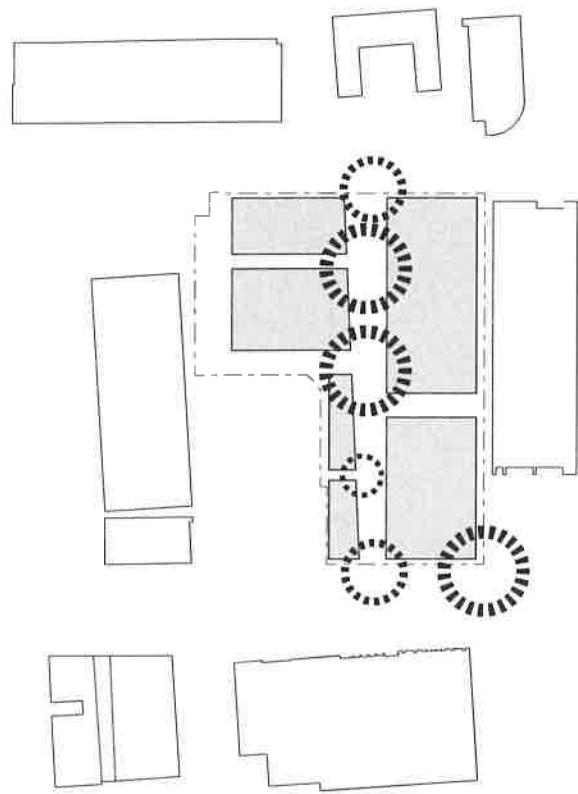
## SITE DEVELOPMENT



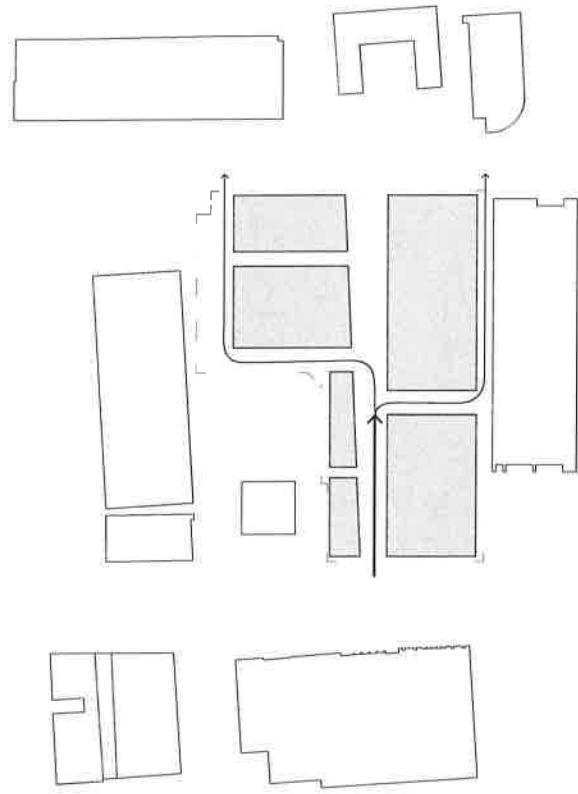
CREATE CONNECTIONS

ACTIVATE FOR PEDESTRIANS

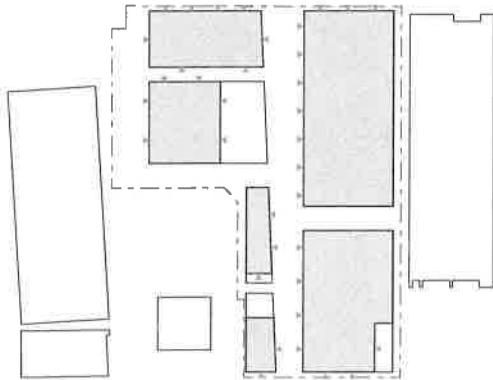
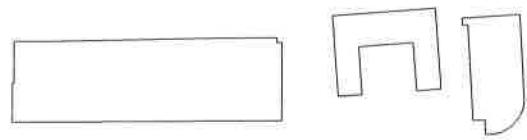
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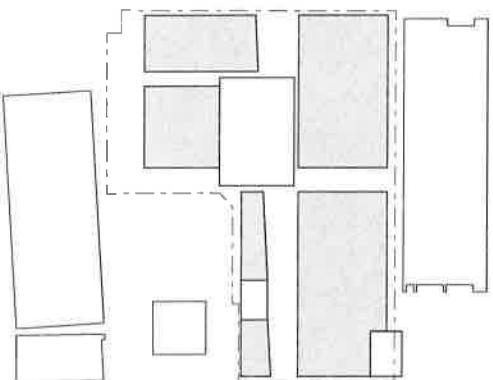
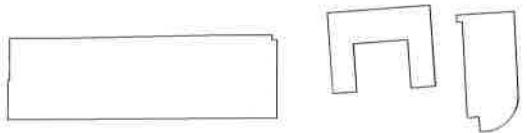
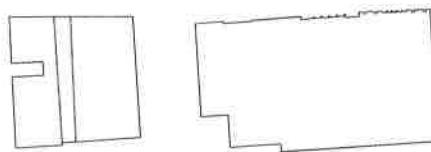
INTERSECTIONS



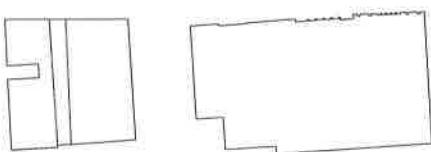
VEHICULAR CIRCULATION



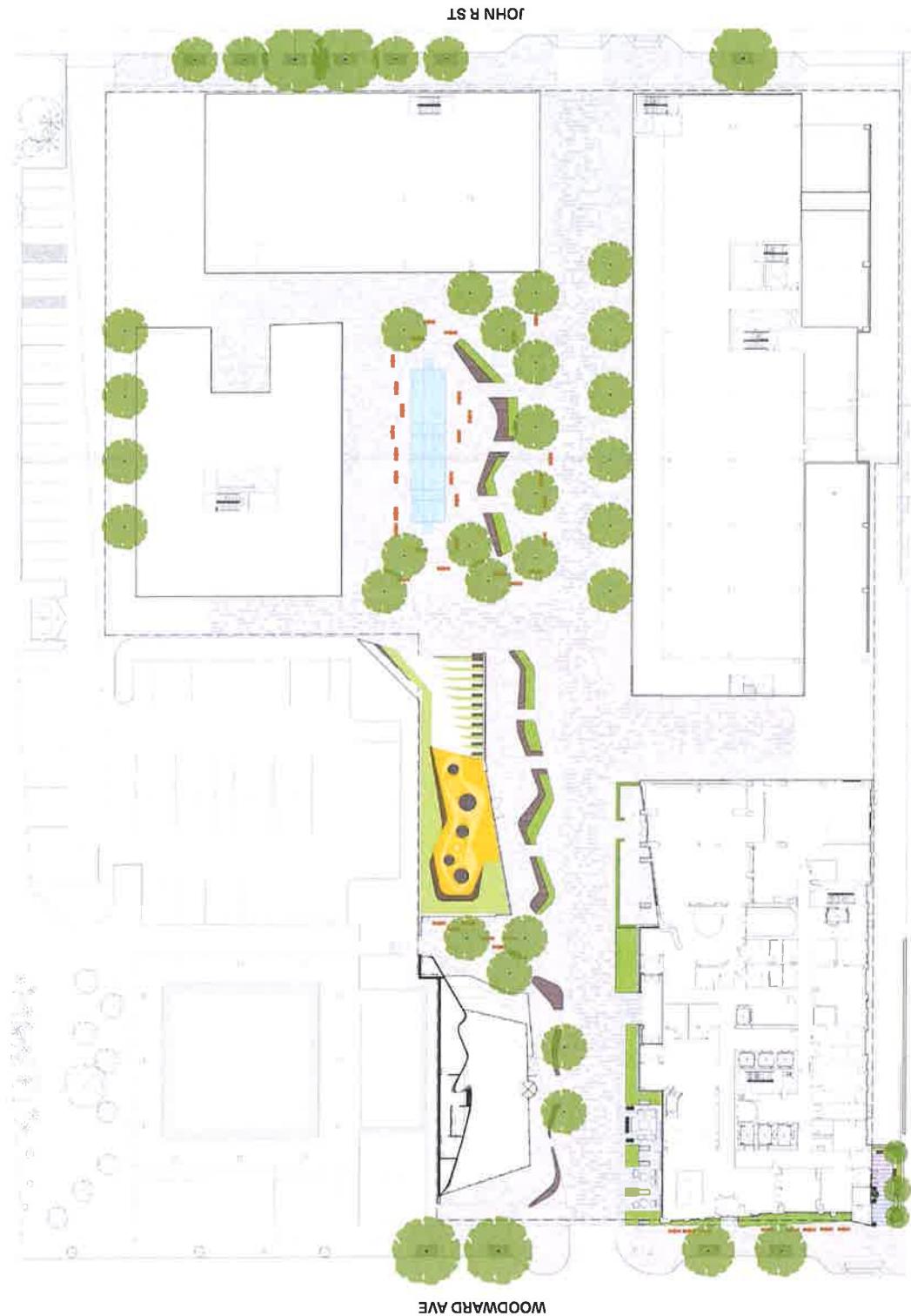
ENTRY LOCATIONS



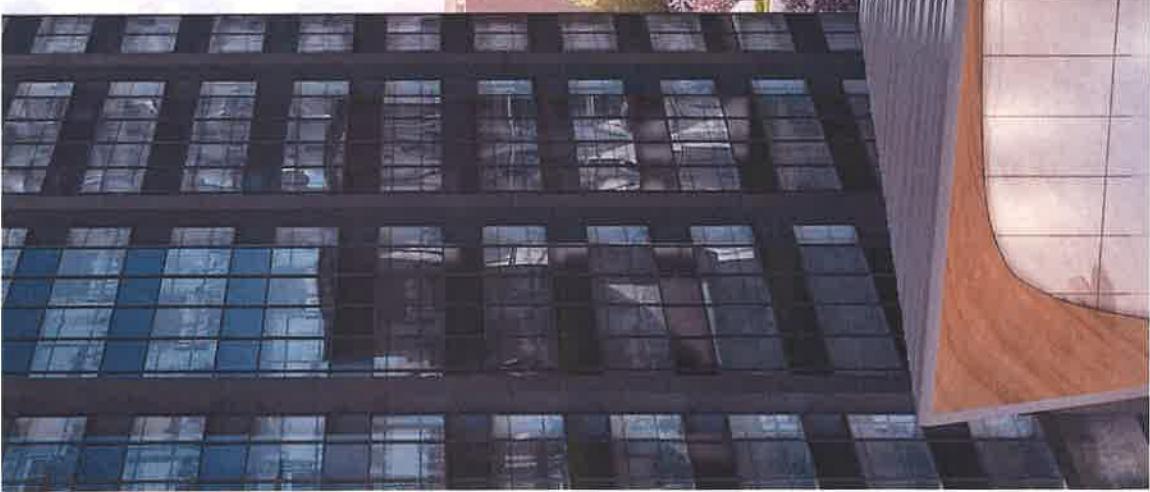
PUBLIC SPACES

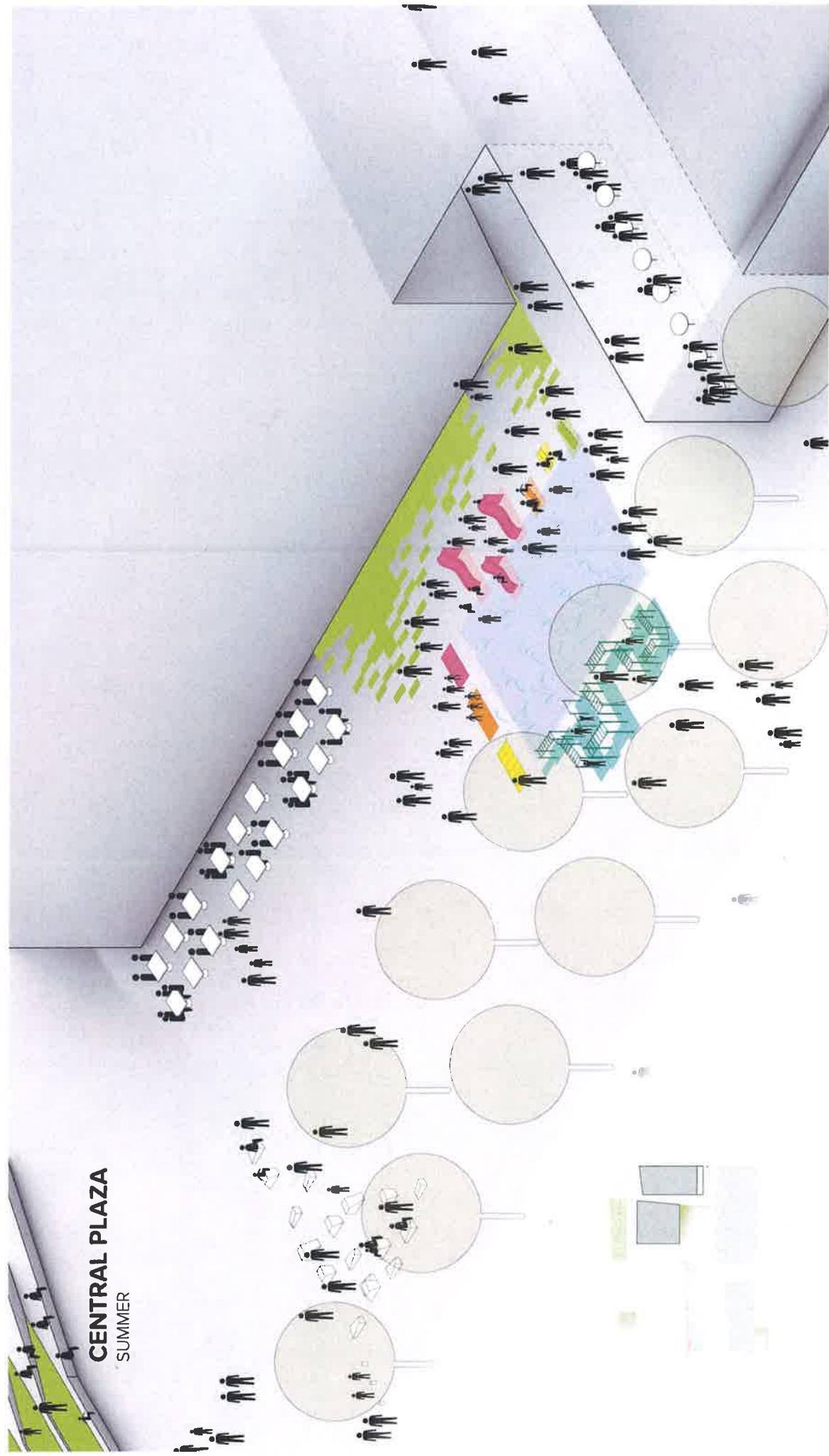


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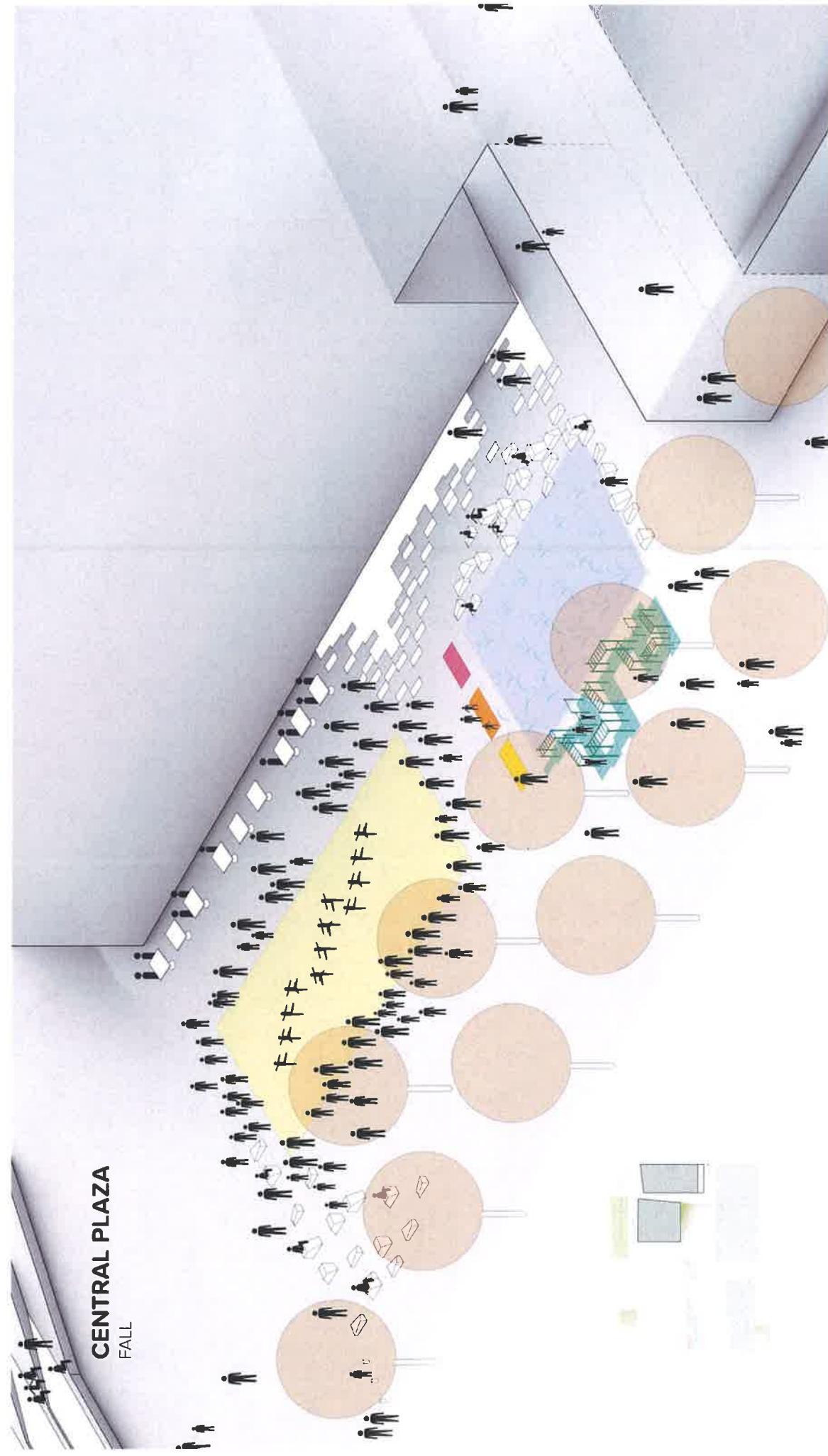


site plan

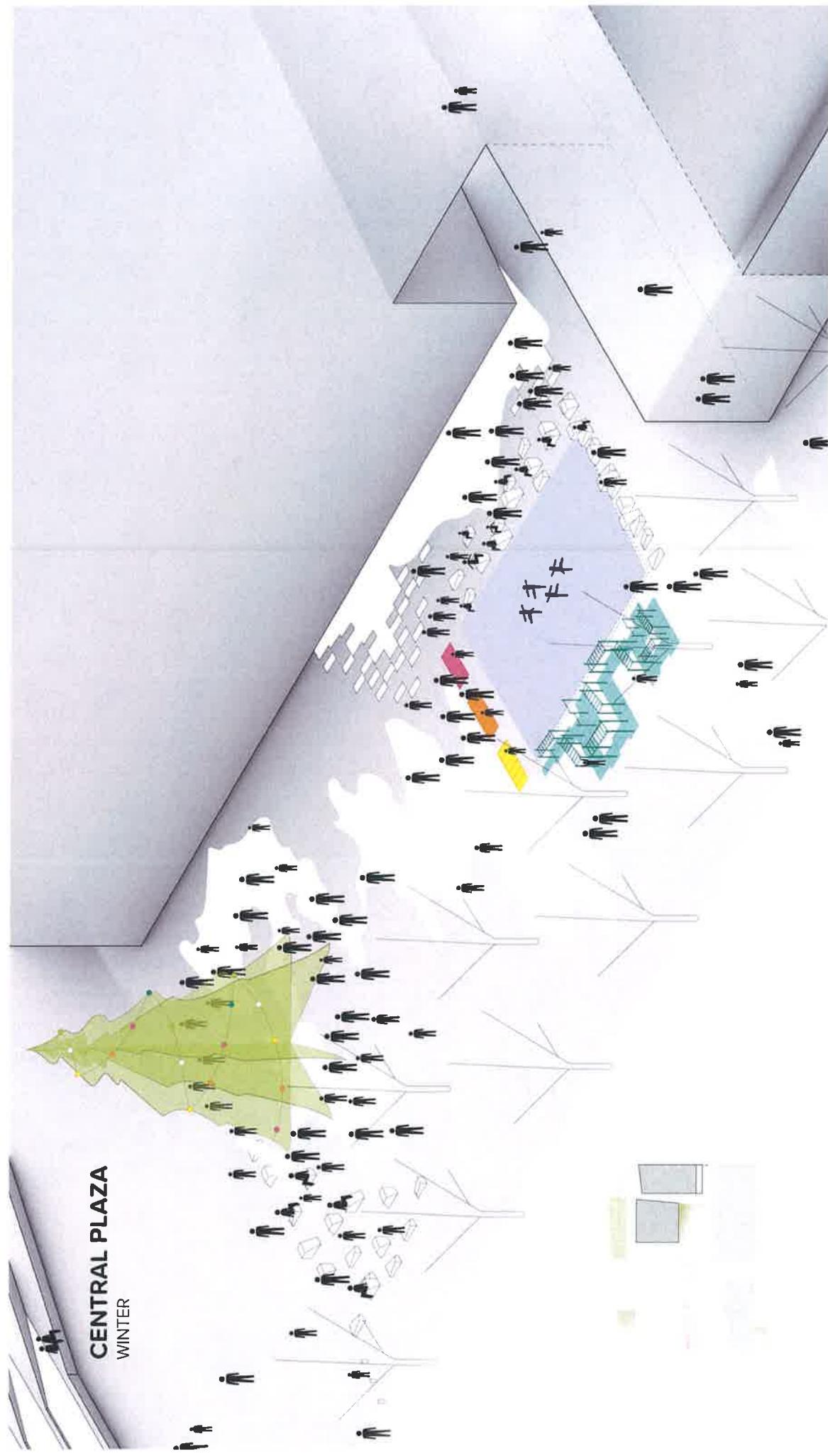




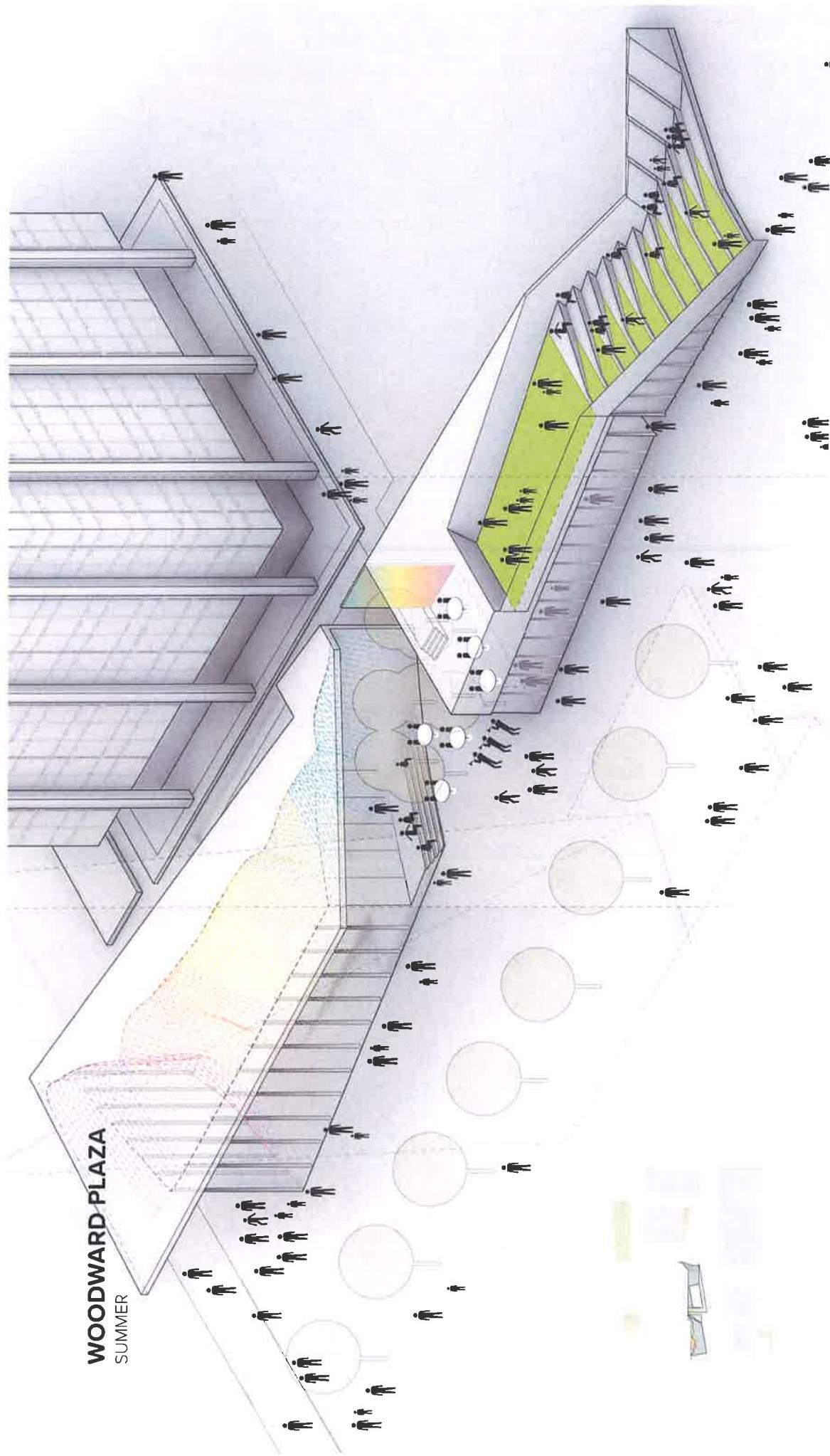














## PROGRAMMING



### Luxury Boutique Hotel

- 16 Levels
- 228 keys

### Luxury Condominiums

- 9 levels
- 60 units

### Co-Living Housing

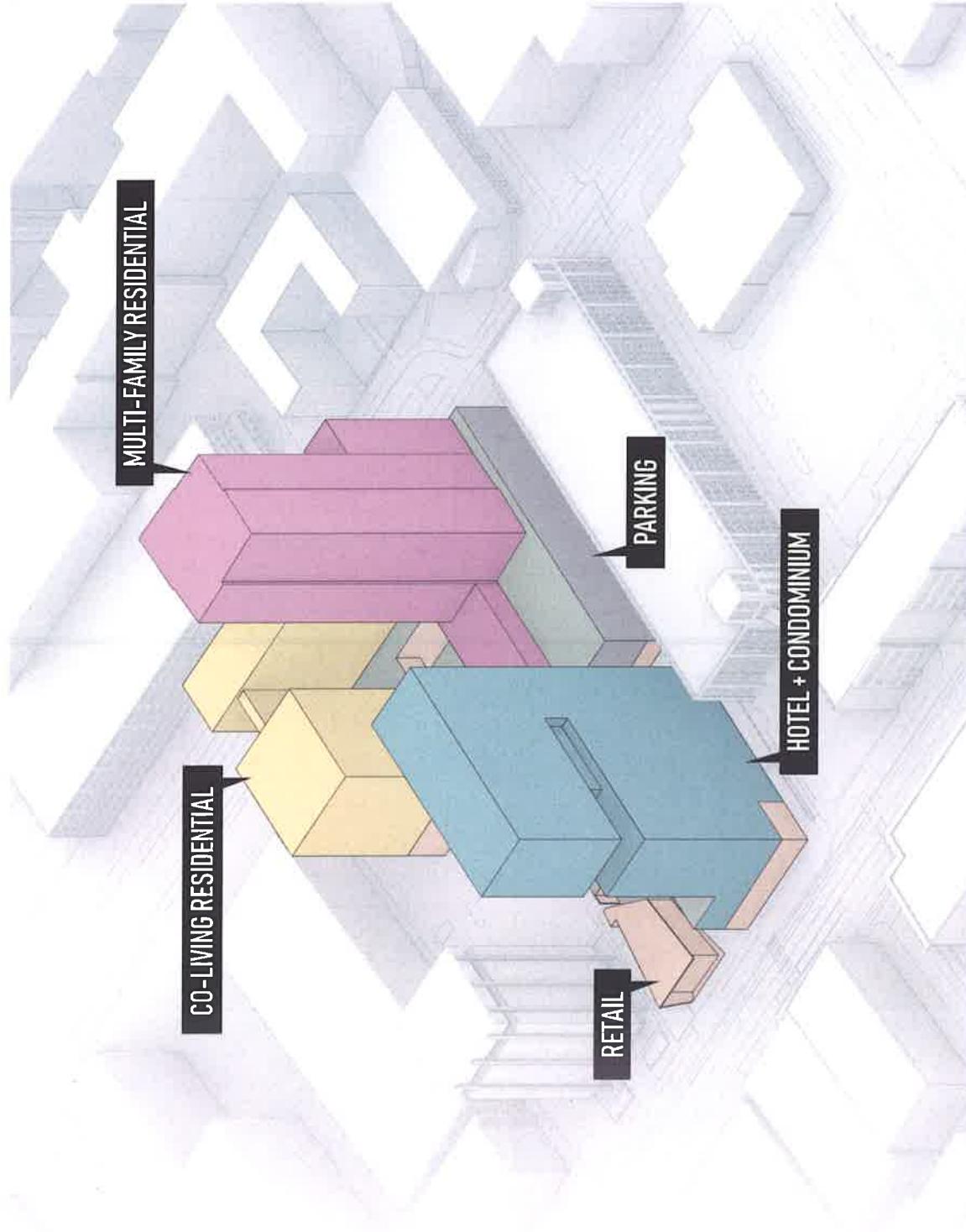
- 10 levels
- 500 - 550 beds

### Multi-Family Housing

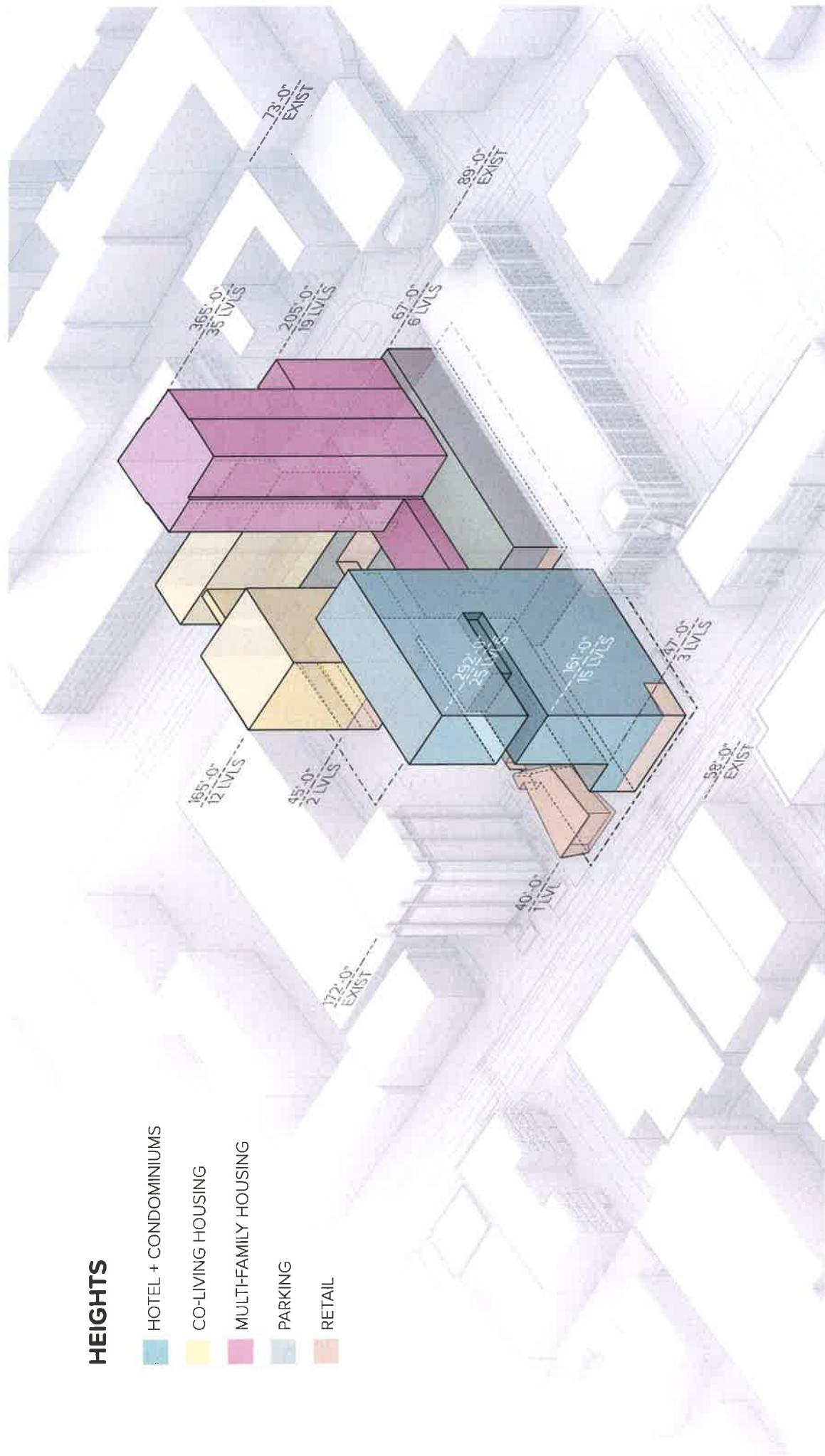
- 29 Levels
- 313 units

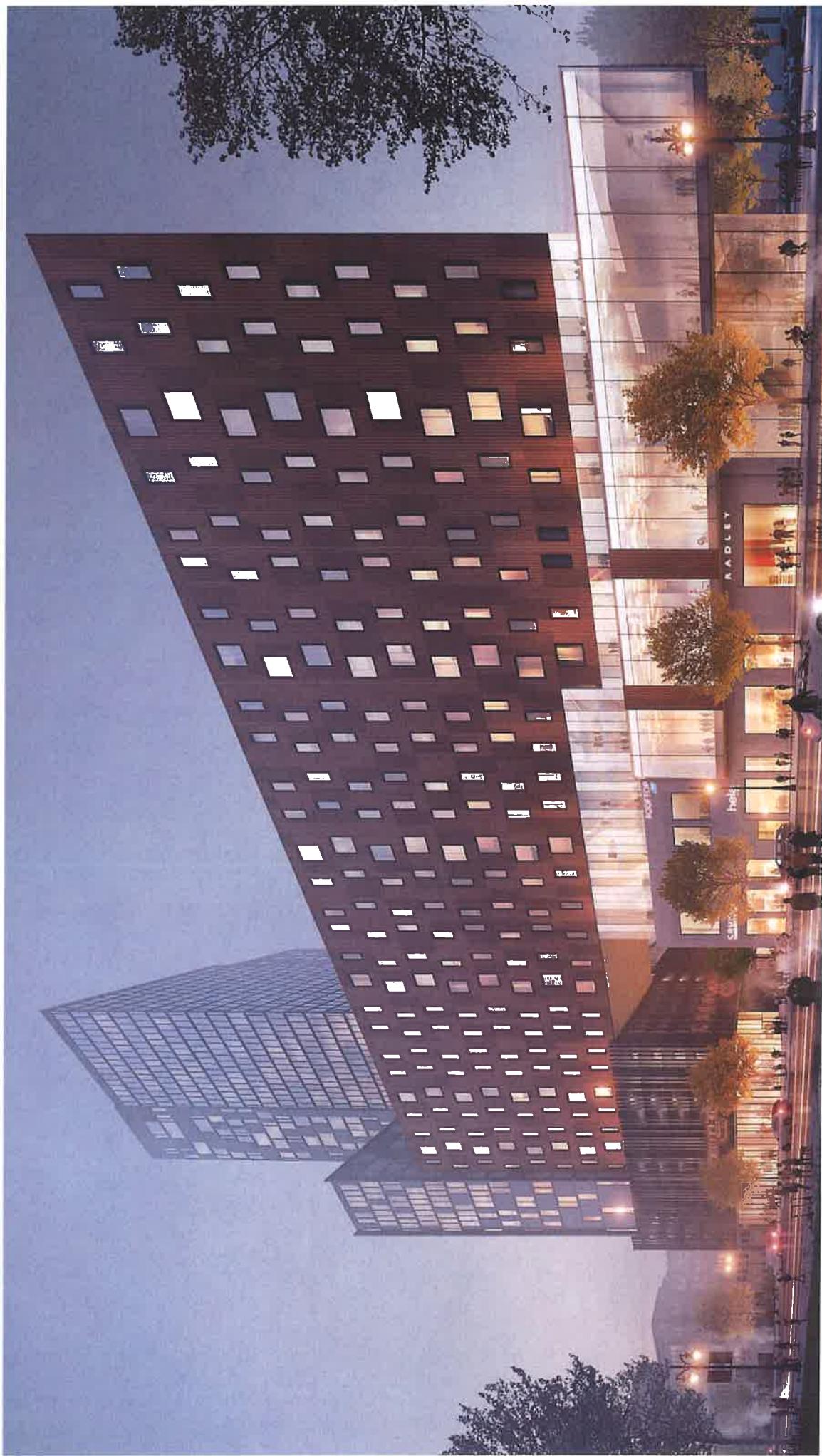
### Parking

- 767 spaces

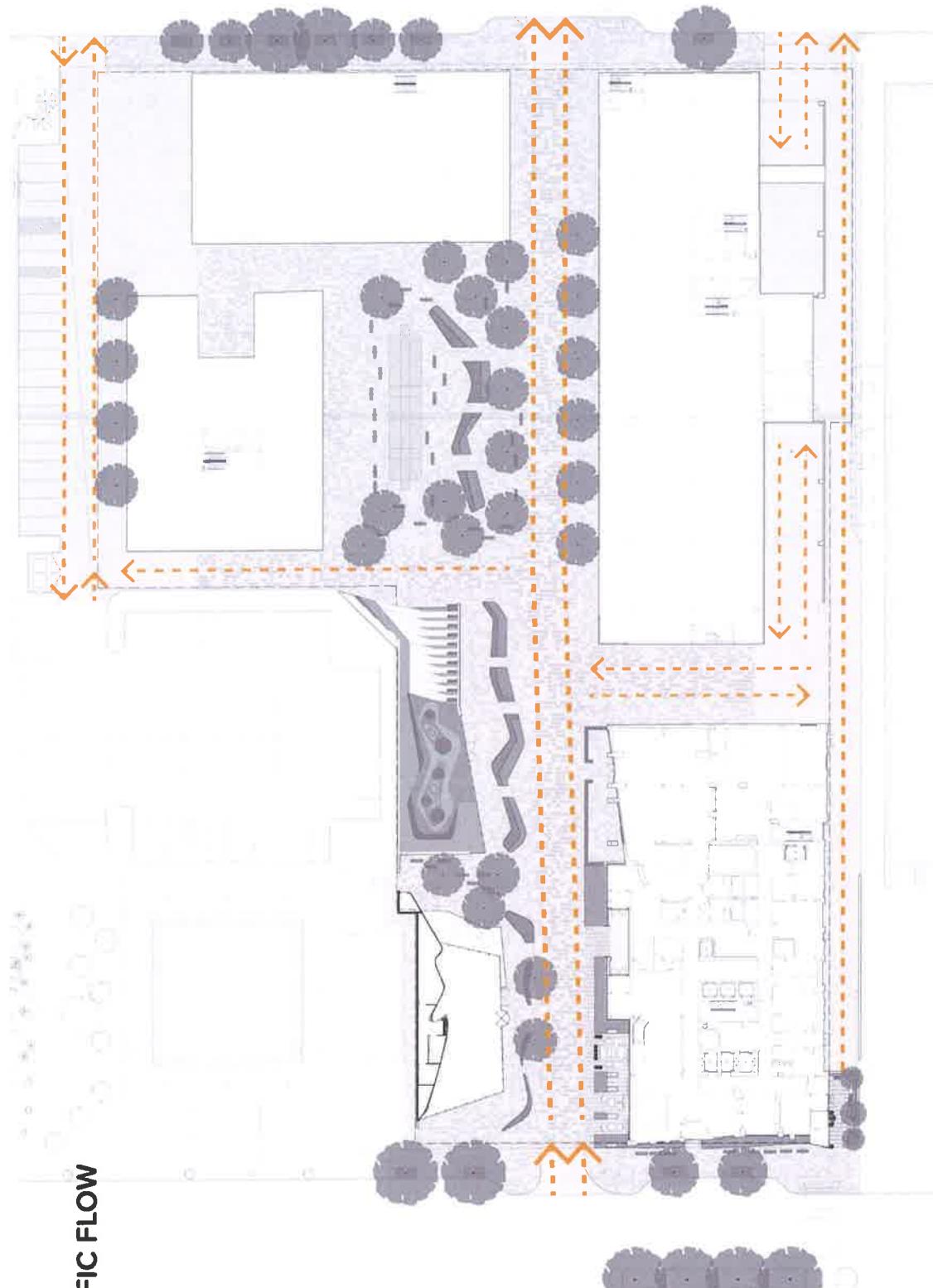


## HEIGHTS









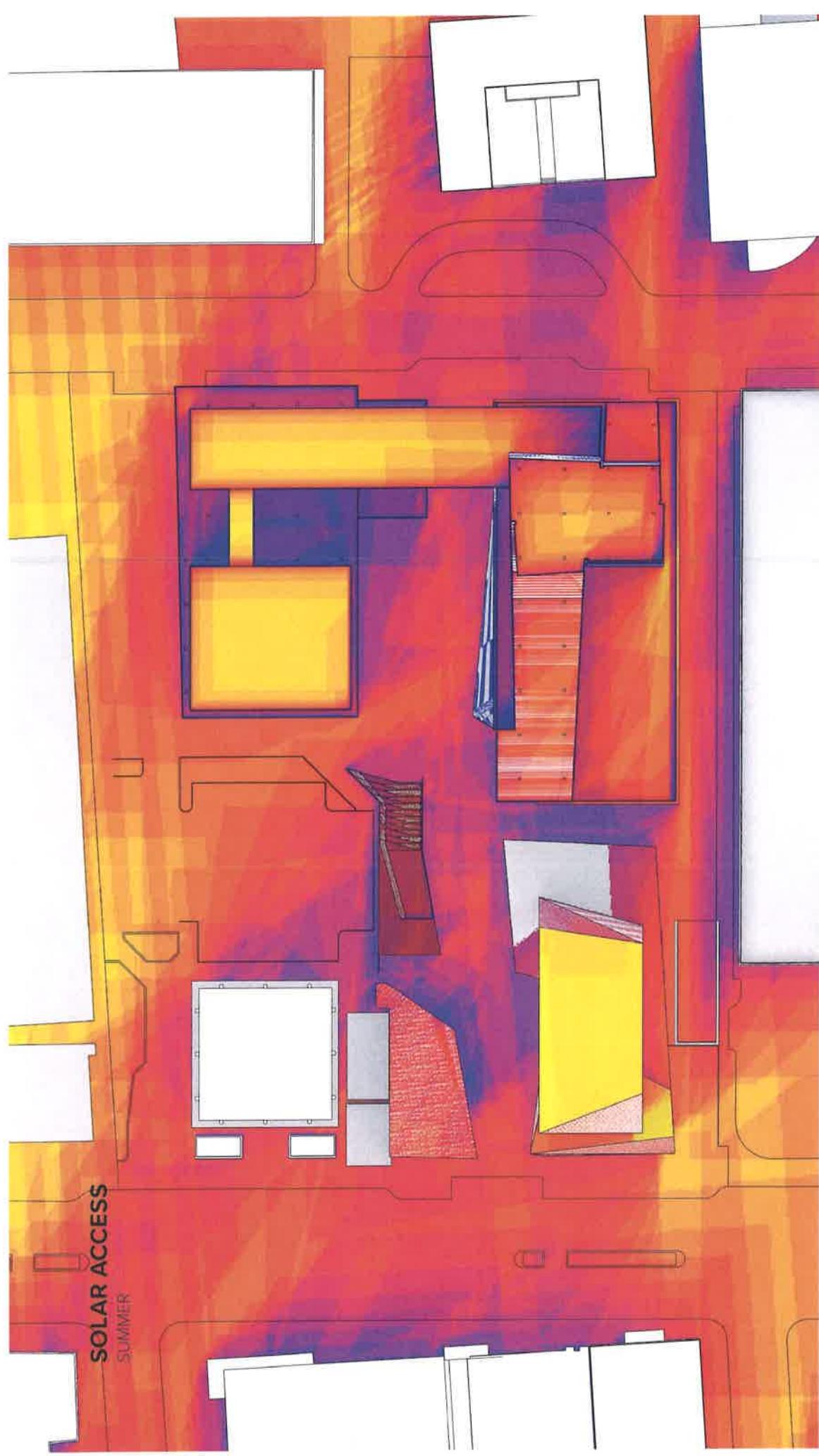
TRAFFIC FLOW

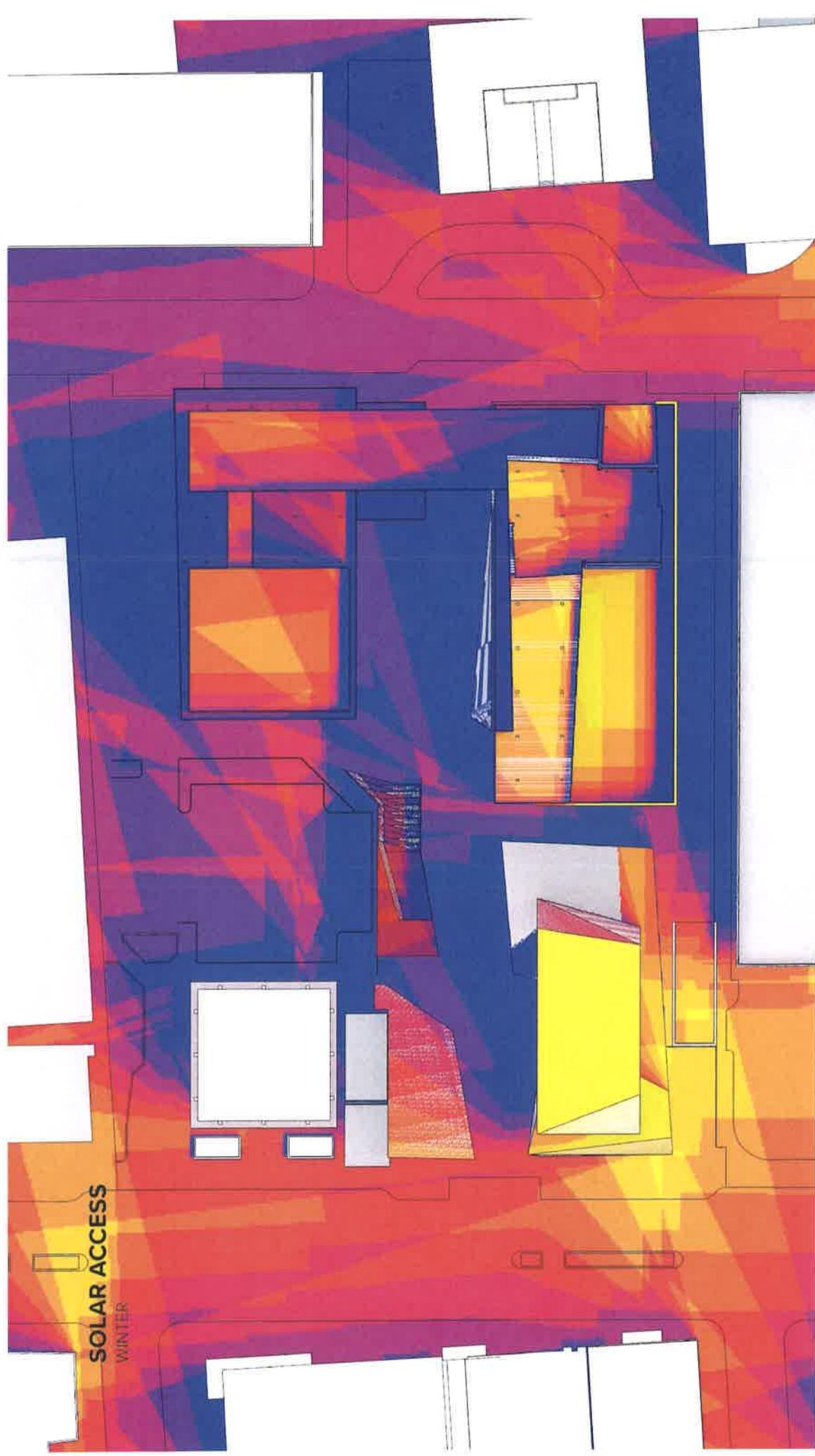
## Detention Strategy R-Tanks Under Plaza



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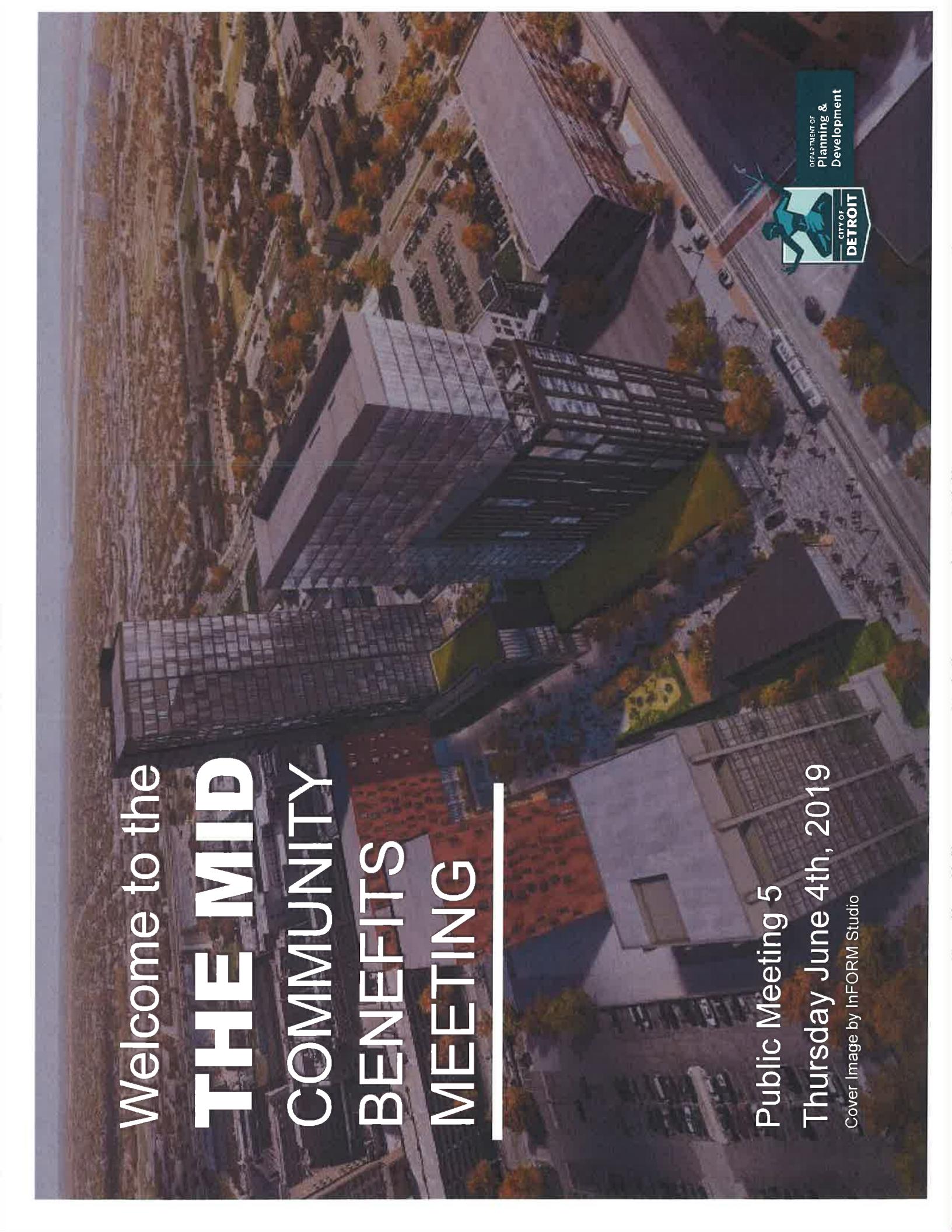






# **Appendix 6.**

**COMMUNITY BENEFIT PUBLIC MEETING #5**  
**PRESENTATION**  
**RESPONSE TO COMMUNITY IMPACT REPORT**



# Welcome to the **THE MID** COMMUNITY BENEFITS MEETING

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Public Meeting 5  
Thursday June 4th, 2019

Cover Image by InFORM Studio

DEPARTMENT OF  
Planning &  
Development



# **AGENDA**

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6:00 – 6:15 PM    **Welcome**

6:15 – 7:15 PM    **Developer Response Presentation**

7:15 – 7:20 PM    **NAC Vote/Approval of Commitments**

7:20 – 7:25 PM    **Public Q + A**

7:25 – 7:30 PM    **Next Steps**

**CITY OF DETROIT  
BROWNFIELD REDEVELOPMENT AUTHORITY  
COUNTY OF WAYNE, MICHIGAN**

**TO ALL INTERESTED PERSONS IN THE CITY OF DETROIT:**

**PLEASE TAKE NOTICE** that the City Council of the City of Detroit ("City Council") is considering the approval of a proposed Second Amended and Restated Brownfield Plan for the **3750 & 3800 Woodward Redevelopment** (the "Brownfield Plan"). A Public Hearing to receive comments on the proposed Brownfield Plan has been scheduled to be held on:

**Thursday, June 20, 2019  
10:10 AM**

at the

**City of Detroit Council Chambers  
Coleman A. Young Municipal Center, 13th Floor  
2 Woodward Avenue, Detroit, Michigan**

# NON-DISCRIMINATION AND EQUAL OPPORTUNITY STATEMENT

IMPACT	NAC REQUESTED ACTION	COMMITMENT FROM THE MID
<p><b>Sidewalk Closures</b></p> <ul style="list-style-type: none"><li>1. Any and all changes, temporary or otherwise, to adhere to the Americans with Disabilities Act</li><li>2. Scaffolding to be used when possible in efforts to limit the disruption of side walk traffic</li><li>3. Clearly marked path with signage to be posted when unavoidable sidewalk closures need to occur</li></ul>	<ul style="list-style-type: none"><li>• The Mid will comply with the American With Disabilities Act</li><li>• Due to safety concerns, we won't be able to use sidewalk scaffolding.</li><li>• The alternative path will be clearly marked.</li></ul>	

IMPACT	NAC REQUESTED ACTION	COMMITMENT FROM THE MID
		<p><b>Hours of Construction</b></p> <ol style="list-style-type: none"><li>1. Developer will sign a legally binding agreement with the P&amp;DD to restrict exterior construction working hours between 7:00 am – 7:00 pm on weekdays. Major noise-making activities (jack hammering, wrecking ball, drilling etc.) should not commence until 9:00 am on any day. If required, a maximum of two Saturdays can be worked per month and 48 hours public notice will be provided for Saturday work.</li><li>2. No Sunday exterior work is permitted.</li></ol>

- The ordinance permits work hours from 7am to 10pm. However, we will limit hours from 7am to 7pm.
- Other than emergencies, we will provide 48 hours notice of any Saturday or Sunday work.
- Work is rarely, if ever, conducted on Sundays.

## IMPACT

## NAC REQUESTED ACTION

## COMMITMENT FROM THE MID

### Dust Control

1. Developer will accept liability for any damages to property caused by either construction or demolition
2. Developer will perform two additional window cleanings to for adjacent properties per year, per phase. Window cleanings to occur after excavation and after construction completion (of each phase).
3. Neighboring properties: The Plaza Midtown, The Ellington, Bicentennial Tower, McLaughlin Hall and Max M. and Marjorie S. Fisher Music Center

- The Mid will work with the five landlords to contribute to their window cleaning expense. Assuming mutual agreement, The Mid is prepared to contribute up to \$18,000 for each of the 5 identified neighboring buildings (to be adjusted based on actual square footage.).

IMPACT	NAC REQUESTED ACTION	COMMITMENT FROM THE MID
Pest Control	<ol style="list-style-type: none"> <li>Developer will sign a legally binding agreement with the P&amp;DD agreeing to immediately implement a pest control program to mitigate this. The program should be in place until completion of construction.</li> <li>The NAC should be notified of the company hired</li> </ol>	<ul style="list-style-type: none"> <li>The Mid will implement a Pest Control plan prior to the start of construction and will remain in place throughout construction.</li> <li>We will share the plan with the NAC prior to construction start.</li> </ul>
Lighting		<ul style="list-style-type: none"> <li>Lighting will be directed inwards and special purpose lenses and deflectors will be used in order to minimize light pollution.</li> </ul>

IMPACT	NAC REQUESTED ACTION	COMMITMENT FROM THE MID
<p><b>Construction Traffic</b></p>	<ol style="list-style-type: none"> <li>1. Developer to work with the city traffic engineers and to adjust the flow of construction traffic and staging, as necessary.</li> <li>2. Developer to only utilize Woodward Avenue parking spaces that are directly in front of The Mid.</li> <li>3. Public parking spaces along Woodward Avenue, that are north and south of The Mid, are to remain open to public use.</li> </ol> <ul style="list-style-type: none"> <li>• The Mid will coordinate with the City of Detroit to review and adjust the construction traffic and staging as necessary.</li> <li>• We will review the construction site logistics plan with the City of Detroit prior to construction start.</li> <li>• The plan does not require use of any parking spaces beyond those fronting the project site.</li> </ul>	

IMPACT	NAC REQUESTED ACTION	COMMITMENT FROM THE MID
	<p><b>Valet Queuing</b></p> <ol style="list-style-type: none"> <li>Developer to consider the NAC's suggestion on the reconfiguration of the valet queue location.</li> <li>Developer to present revised plan to the NAC</li> </ol>	<ul style="list-style-type: none"> <li>The valet area will be redesigned to position vehicle queuing internal to the site.</li> <li>Plan presented 6-4-2019.</li> </ul>
		<p><b>Retail Intake List</b></p> <ol style="list-style-type: none"> <li>Developer to create an opportunity to receive retail tenant suggestions from the public.</li> <li>Developer to designate a certain percentage of the retail space to local and minority owned businesses</li> </ol> <ul style="list-style-type: none"> <li>The Mid will designate a minimum of 12,000 sf of the 80,000 sf for local and small businesses.</li> <li>We will maintain our own list but, but we also request the NAC's assistance in soliciting and compiling retail tenant suggestions.</li> <li>Detroit resident owned businesses will be given priority.</li> </ul>

## IMPACT

## NAC REQUESTED ACTION

## COMMITMENT FROM THE MID

### Concept Design

1. Developer to adhere to the Main Street Overlay when constructing the Woodward Avenue retail.
2. NAC to receive notice when site plan review is submitted to the City

- The MID will adhere to design guidelines required by the city of Detroit Planning & Development Department and the City Planning Commission.
- We will notify the NAC with each site plan review submission.

## IMPACT

## NAC REQUESTED ACTION

## COMMITMENT FROM THE MID

### Public Space

1. The public space is to be well lit and have adequate seating
2. The NAC strongly encourages the developer to build a dog park into their development public space plan as a benefit to neighboring residents, development residents and hotel guests
3. Developer to work with the City and The Plaza to make improvements to the John R pedestrian walk way that are consistent with the green space/public space design of The Mid
4. Developer to consider the use of the historic street names for the pass troughs

- The public space will be well lit and have adequate seating.
- The Mid will work with the City of Detroit to create a pet relief area within the public space to the north of the site. This will also address concerns regarding the pedestrian walkway.
- We will consider use of historic street names.
- Our goal is to deliver a project whose design is inspiring and welcoming. We will have outstanding public spaces, including areas for dogs.

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+  
G

# CBO SCHEDULE

\*Please note that this schedule might change.  
Updates will be provided to any changes as we progress.